

National Municipal Review

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national Index to Periodicals* and in *Public Affairs Information Service*.

The League's Business

Plans for the League's Convention.—The program which is being arranged for the League's forty-fourth annual conference on government, to be held at the Lord Baltimore Hotel, Baltimore, December 1st, 2nd, and 3rd, while still somewhat tentative, contains several new and interesting features:

On Thursday morning, December 1st, the first session of the conference will be a general one, to be devoted to "Publicizing Government." It is expected that speakers at this session will include persons prominent in the fields of journalism and radio.

The annual banquet of the League will be held on Thursday evening, December 1st. C. A. Dykstra, president of the University of Wisconsin, and Miss Marguerite M. Wells, president of the National League of Women Voters, president and vice-president respectively of the League, will be the principal speakers.

Group sessions will be held on Thursday afternoon and Friday morning. These sessions will cover planning (including zoning and housing), local finance, public management, citizen action, law enforcement, personnel (including a discussion of the model personnel law now being prepared by a special committee of the League and other interested organizations), county government, etc.

Colonel C. O. Sherrill, city manager of Cincinnati, will speak at the relief session on Friday, the 2nd, devoting himself to Cincinnati, where the problem of local work relief has been attacked in an original manner. Miss Dorothy Kahn, who spoke so acceptably before the last conference of the League at Rochester, has also agreed to talk on the subject of unemployment relief.

Saturday's meetings, morning and luncheon, will be devoted to proportional representation, the brief annual meeting of the Proportional Representation League taking place at the morning session. At the luncheon, Newbold Morris, president of New York City's first P. R. council, will present the New York City and State situations. Efforts in Philadelphia to secure a new city manager-P. R. charter will also be discussed.

The regular sessions of the conference will be preceded, on Wednesday evening, November 30th, with a dinner meeting of the National Municipal League's council, followed by the annual business meeting of the League.

* * *

League's New York State Committee Meets.—The annual meeting of the New York State Committee of the League was held at Albany on September 30th and October 1st. The most important task of the committee was its action on the proposed amendments to the New York State constitution, to be voted on November 8th. After debate the following recommendations were made: that amendment 1 (the omnibus section) be defeated (while it was the opinion of all that this amendment contains numerous worth while provisions, it was decided that it includes too many bad sections to warrant a yes vote); that amendments 2, 5, and 7, on reapportionment, the judiciary, and banning proportional representation, be defeated; that amendments 3, 8, and 9, on the abolition of grade crossings, health, and New York City transit unification, be supported; no action was taken on amendments 4 and 6, on housing and labor: these amendments received a majority vote of the members present but could not muster the two-thirds vote necessary for endorsement. (For a more complete description of these questions see the NATIONAL MUNICIPAL REVIEW for September, page 456.)

In its discussions the committee made use of a report on the amendments prepared by the League's committee on constitutional revision, of which S. Howard Evans is chairman. Copies of this report are available through the League's office at twenty-five cents.

The state committee elected the following officers for the year 1938-1939: chairman, Abbett Pulliam of Schenectady; vice-chairman, M. P. Catherwood of Cornell University; secretary-treasurer, S. Howard Evans of New York City; legislative representative, George H. Hallett, Jr., of New York City.

HOWARD P. JONES, *Secretary*

National Municipal Review

Editorial Comment

Conspicuous Waste: The Case of Dorothy Kahn

SOMETIMES it seems practical to endure minor evils in order to fight for the greater good. Thus even political theorists have at times winked at the spoils system when the despotism was benevolent and other gains were marching by its side.

But there is a point at which the spoils system becomes vicious, and another point at which it is almost cataclysmic in its effects. That final mark seems to have been reached this month in Philadelphia, where a distinguished public servant got the sack apparently because she refused to play politics.

The dismissal of Dorothy C. Kahn by the Philadelphia County Board of Assistance is not just another case of a good administrator thrown out to make way for the politicians: that would be bad enough. But Miss Kahn is more than just an executive, as those who heard her at the National Municipal League's forty-third annual National Conference on Government at Rochester realized, if they had not known it before. Speaking on the subject of a new program for unemployment relief at a luncheon meeting, Miss Kahn showed herself to be one of the few who can talk sense on a subject more confused by emotionalism and tangled thinking than the depression itself.

Relief is by all odds the most difficult problem of our generation. Our states and cities desperately need active leaders who can point the way to caring honestly and adequately for the jobless without at the same time plunging the rest of the country into bankruptcy

—financial and moral. When Philadelphia got rid of Dorothy Kahn, it got rid of one of those who might have helped solve that problem.

The details of Miss Kahn's dismissal seem to offer evidence of the motives which prompted it. A year ago a new state law caused a change in the powers and personnel of the Philadelphia County Board of Public Assistance, resulting in a fresh infusion of the political virus into the life-blood of local relief work. Dorothy Kahn, who had served for five notably useful years as executive director under the previous board, was formally reappointed by the new board six months ago. But the day before the six-month probationary period expired, she was summarily fired. The sole reason given: "lack of coöperation." The effect of this felicitous timing was to deny Miss Kahn the right to a hearing.

Immediate protests from welfare workers, colleagues, merit system advocates, and others who knew and appreciated her work elicited from the Board of Assistance a more detailed list of charges, the substance of which was that, of all things, Miss Kahn had played politics with appointment lists! Miss Kahn, of course, denied all charges, presenting arguments to prove their falsity. The public was then left to draw its own conclusions.

What those conclusions were is obvious. Bitter experience has taught public opinion that the politician is always guilty, unless proved otherwise. And proof, in this case, was entirely lacking.

If there were a sound non-political reason for the dismissal of Dorothy Kahn, the public had every right to know it. But by skulking in the shadows of a technical "probationary" period, the board has succeeded in throwing the spectre of doubt on its own case, *not* on Miss Kahn's.

Miss Kahn is out, but it is Philadelphia and the state of Pennsylvania which are really out. Miss Kahn will doubtless find elsewhere another position compatible with her abilities, but it is doubtful that Philadelphia will as readily find another Miss Kahn.

M. R.

Mystery Story

JUST how it comes about that many cities, large and small, can develop fine traditions of sound government while at the same time the counties in which they represent a preponderant part of the population remain conspicuously backward is a modern mystery.

This is not due to a higher level of intelligence and civic virtue within the city limits by any means. To say that the dwellers in our suburbs have less at stake and lack a sense of civic responsibility would scarcely be believable.

Still, in every part of the United

States can be found cities which have lifted themselves out of the morass of discredited methods and have cast off bad leadership but which at the same time tolerate a county system that is not only a blundering idiot by comparison but which also delights in sabotaging the municipality. In each case much the same people do the voting.

Is there any sound reason why outworn systems should be tenderly cherished in the back yards after they have been so beneficially uprooted as weeds in the front yards?

"Everything Has Its Price"

WHEN it comes to measuring a community's level of intelligence, the academican presumably would add up the years of formal schooling, library books in circulation, number of names in *Who's Who*, etc., and divide by the population as estimated in the last chamber of commerce annual report.

If nominations are in order, we'd like to mention Toledo, Ohio. We mention it not because we have any of these figures but because people there seem smart enough to add up facts, subtract false leadership, and stand steadfastly behind the answer which has come to be identified as "good government."

Toledo has just gone through another acid test (see page 505) to determine whether its honest, business-like government shall endure or whether the conduct of the people's affairs shall be passed back into the hands of the spoils politicians. This is the third time in

two years that Toledo has been forced to face this issue. Each time the right answer comes more emphatically. Essentially that answer is: eternal vigilance is the price of good government.

When a city is badly run it is not so very difficult to arouse the populace to the point of "turning the rascals out." But a well run city is in constant danger of becoming satisfied, indifferent, and fat (in the head). It is difficult to awaken its people to dangers.

That is where Toledo is different. The voters maintain a permanent organization which, like a fire department, constantly inspects for hazards and sounds the alarm in time to keep the citadel of good government from burning.

It is from such cities that voters everywhere can learn how surely, but not often easily, democracy can be made to work as it should and how, once achieved, it can be preserved.

Thirty Dollars a Week for Life

By WADE S. SMITH
Dun & Bradstreet, Inc.

Drastic effect on state and local government finance, with tremendous increase in tax burden, to be expected if California voters adopt initiated measure for generous pension to a possible half million persons.

PRIMARY election returns from California focused the nation's spotlight on the newest—and perhaps to date most powerful—of the movements for a general old-age pension. Previously, petitions signed by nearly one-third¹ of the state's eligible voters had placed on the November ballot an initiative measure to amend the state constitution to provide pensions of thirty dollars weekly to all over fifty years of age. But it was the primary results, with the upsetting of such a veteran as Senator William Gibbs McAdoo and the victory of pension proponents up and down the state, which dramatized the strength of the movement to vote the amendment in. Opposition to the measure is now crystallizing, and the campaign is on in earnest, but whether the proposal will go the way of Upton Sinclair's EPIC, or follow the lead of Colorado, where a pension with the age beginning at sixty is now partially operative, remains to be seen.

The initiative measure, if adopted, would add a new article to the California constitution. To be known by the enticing title, "The California State Retirement Life Payments Act—Thirty Dollars a Week for Life," it would

establish a fourth branch of state government, immune by its terms even from judicial review. It would create the office of a "state retirement life payments administrator," whose duty it would be to provide for the payment of a minimum pension of thirty dollars every Thursday to every applicant making a sworn statement that he or she is:

- (1) Fifty years of age or over;
- (2) A registered qualified elector of the state, or would have been able to so qualify under the law as it now stands;
- (3) Not employed for salary or wages or other remuneration and does not employ any person to engage for him in the production of goods or services for hire or for sale;
- (4) A legal resident of the state for not less than one year preceding the adoption of the amendment, or resided in the state not less than five years immediately preceding application for pension.

To those qualifying, the administrator is required to pay every Thursday the sum of thirty dollars in "retirement compensation warrants." The warrants will be issued in face amounts of one dollar, with fifty-two suitable blank spaces on the back to which there shall be affixed every Thursday for the next year a special two-cent stamp. Provision is also made for the issuance of five-dollar and ten-dollar warrants, to which ten-cent and twenty-cent stamps respectively will be attached. The proceeds of the sale of stamps will be received by the administrator, who at the expiration of a year will redeem the warrants at face value "in lawful money of the United States."

Circulation of the warrants in trade will necessarily be voluntary, but the measure provides that the state and its local subdivisions shall accept the warrants in liquidation of taxes, licenses, fees, royalties, or for the purchase price

¹Later reports indicate that less than 400,000 of the signatures passed inspection when the petitions were validated. Over half the signers were not qualified to vote, many of them perhaps signing to oblige canvassers paid on a per signature basis.

of real or personal property, or for rents or services, or for any and all other debts or obligations of every kind and character. Against this, the state and its subdivisions will be permitted to pay up to 50 per cent of salaries and payrolls in warrants (prorating such warrants as are available), and purchasing agents will be required hereafter to provide that payment for purchases and contracts made after adoption of the amendment may be paid up to 50 per cent of the total amount with warrants.

Transactions in which warrants are exchanged will be exempt to the amount of the warrants from the present state sales tax, but will not be exempt from the gasoline tax. Nor will income in warrants, either personal or corporate, be included in the determination of net income for application of the state income tax.

An elaborate organization for dispensing the warrants and selling the retirement stamps to be attached every Thursday is provided in the body of the amendment. Also provided is an initial appropriation of \$700,000—including \$200,000 for advertising—to get the scheme rolling if adopted. The \$700,000 is to be provided by the state in present coin of the realm—not warrants, with which salaries of the organization are later to be paid.

If approved by a majority of those voting on it at the November election, the initiative measure requires that within five days the governor shall appoint the administrator from one of three persons named in the article, and twelve weeks from then the payment of the pension warrants shall begin. Thereafter, beginning with the general election of 1940, the administrator will be elected by popular vote for a four-year term. If in any quarter the United States Department of Commerce average price level index of consumers goods

increases over the average in 1937, the weekly payment to eligibles is to be proportionately increased by the administrator.

To the serious student of government and economics, the California proposal raises such an array of catastrophic eventualities that it is difficult to tell just what are the most alarming features of the plan. Certainly the classical economists will see in it the erstwhile "revolving" pension plan of Dr. Townsend, which in one of its various manifestations wreaked its havoc on the Canadian province of Alberta in about three months and was then abandoned, with political repercussions which are still felt. Orthodox economic theory indicates that the scrip (for such the warrants would be) will circulate only at a heavy discount, if at all; that to the extent that it does circulate Gresham's law will operate to drive out "lawful money of the United States" and make the scrip the medium of exchange in California; and that a considerable price inflation will therefore result.

EFFECT ON GOVERNMENT FINANCE

More practical economics indicates that the scrip will have a limited and devious circulation. The California banks have already announced that they will neither handle, cash, nor hold it for deposit, while the larger department stores have said that they will not accept it in trade. Just what the scrip will be worth to the pensioners is problematical, except that it will be worth considerably less than the face amount printed on each warrant. It is not the economic implications of the scheme, however, which are of chief concern to REVIEW readers. More pertinent is the examination of the question: what will happen to local governmental finances in California if the amendment is adopted? In brief, to what extent will it increase the tax

burden, and to what extent will it disrupt the present fiscal arrangements of the state and its local subdivisions?

Taxation to support the pension payments is explicit in the terms of the proposed amendment providing that fifty-two two-cent stamps be affixed to each one-dollar warrant prior to redemption. Obviously the amount of the tax—\$1.04 for each one-dollar warrant, the extra four cents generously covering administrative expenses—is dependent upon the number of pensioners, something which no one can predict with any great accuracy. The present number of persons of fifty years of age or over in the state is variously estimated from one to one and a half million. Critics in California are assuming that 500,000 in round numbers is as close an approximation as possible to the number who will actually claim eligibility. Since we have no strictly comparable experience anywhere in the country upon which to base estimates of pension eligibility at the age of fifty and up, this estimate is probably as good as any other—perhaps too conservative, if anything, in view of the known higher-than-average proportion of elderly retired individuals in California. Using this number, the cost of retiring the warrants at face value for a full year would be as follows:

\$30 a week for 500,000	\$780,000,000
4 per cent for administrative costs	31,200,000
Total stamps to be sold	\$811,200,000

Judging this sum purely as an increase in taxation, without regard to the fact that it is a transaction sales tax equal to nearly one-third of the total retail sales in California in 1936, it is apparent that it would entail a drastic increase in the tax burden. Added to the revenues collected from all sources in 1937 by the state govern-

ment, the counties, and the cities, which totaled \$1,084,000,000, it would nearly double the present tax burden in California and bring the aggregate to over two billion dollars. In Los Angeles County alone, which in 1930 contained approximately 40 per cent of the state's population and may be assumed to show at least an equal proportion of the hypothetical 500,000 pensioners, it would call for the collection of \$324,480,000 in stamps, a sum which compares with a gross ad valorem tax levy in 1937-38 for all local units including the county of \$122,600,000. Even to the residents of Hollywood Boulevard, this will seem a colossal expenditure.

TAXATION BURDEN TREMENDOUS

Now, California is a rich and productive state, both agriculturally and industrially—Dr. Edna Trull ranks it second among the forty-eight states in her debt-paying capacity index²—but the burden to be imposed by the proposed pension scheme, if anything like the expected number of qualified persons apply, is simply staggering. It is, indeed, difficult to see how any body of persons could submit to the level of taxation which would be required without substantial impoverishment.

Hard as will be the taxpayer's lot if the amendment is adopted, more difficult still will be the position in which the local governments will find themselves. Still assuming that the warrants will be issued to a sizeable group of pensioners, and will manage to circulate, it is evident that their most ready use will be in the payment of taxes and other obligations to the state and its subdivisions. Accumulation of the scrip by speculators for resale to taxpayers, a practice during the depression in cities where municipal scrip was used for

²*Resources and Debts of the Forty-eight States, 1937*, by Edna Trull, Municipal Service Dept., Dun and Bradstreet, Inc., New York, 1938.

meeting payrolls, will involve in this instance somewhat more complicated computations as to discounts under face value, since each dollar warrant brings to its holder a liability of two cents every Thursday, but it will not be impossible. It may safely be assumed that everyone receiving any sizeable quantity of the warrants will assist in devising a practical method of unloading them on the tax collector, whatever the going rate for any given issue of warrants may be. And since, as has already been noted, the face amount of warrants to be issued if 500,000 pensioners apply is roughly three-quarters of the present revenues of the state, the counties, and the cities, it is theoretically possible that these revenues will hereafter consist of roughly three-quarters scrip and one-quarter cash.

But no matter how much or how little scrip the local governments receive in lieu of taxes or other payments, they still won't be able to cash it in for a year. True, they can use it to meet payrolls—but only to the extent of 50 per cent of the payrolls. And they can use it to pay contractors for materials and supplies, the vendors willing—but again only up to 50 per cent of the obligation. They won't have to attach stamps every Thursday to the scrip they receive—provision is at least made for that—but then, they won't be able to present it to the state for redemption until it's been outstanding for a year. And meantime, each unit will need good hard cash to meet the other 50 per cent of its payrolls and purchases, and will need a considerable sum for the payment of principal and interest charges on its funded debt.

To gauge the effect on a municipality's finances of accepting scrip in lieu of money for taxes, it is necessary only to turn to the experiences of those cities and counties which resorted to it during the last depression. The south New

Jersey coastal resorts in particular provide much food for thought for California voters. There scrip was extensively issued in the form of delinquent tax anticipation notes of small denomination, handed out to meet payrolls and to pay bills. Appeals to merchants to coöperate in the emergency led to the scrip's circulating after a fashion, although at such discounts that scrip brokers soon appeared to profitably assist the transfer of the paper from holders to taxpayers able and willing to liquidate their tax obligations at a discount. In these cases, receiving the scrip liquidated the obligation—both for the unit to redeem its paper and for the taxpayer to pay taxes—but it failed to provide cash for current operations. When there was sufficient cash received to make it worth while, the bondholders attached it; when there wasn't, all creditors waited for their money and the unit continued to issue scrip for salaries. One still hears occasionally the prideful announcement of some small unit that it has finally retired the last of its scrip.

LOCAL FINANCES SOUND

In the case of California local governments, anything approaching a scrip basis of operations would be especially unfortunate. Intrinsicly the cities and counties of the state rank high as well and economically managed entities, deserving of a good credit standing. State laws and local policies have resulted in sound fiscal practices, and a California unit cramped for cash is something of a rarity. This gives the state's municipalities an advantage in the eyes of many investors, with resultant lower interest costs on California local bonds. Although the extent of the disruption to local finances which would result from the acceptance of quantities of scrip in payments is in the realm of speculation, the effect

(Continued on Page 504)

The Farmer Practices

Public Administration

By ALBERT LEPAWSKY

Federation of Tax Administrators

Establishment of conservation districts should bring results of far-reaching importance. Such districts not only seek to conserve the nation's resources but demonstrate the practicability of crossing local government barriers in order to perform essential services.

THE American farmer has scored another victory in the field of public administration, thereby strengthening the belief of some observers of governmental affairs that agriculture, on administrative levels, is one of the most alert economic interests of the country.¹ This time, the farmer's achievement is the establishment of a new set of governmental agencies, known as soil conservation districts, which have been given power (1) to build and operate co-operative soil conservation projects, and (2) to regulate the individual farmer's use of his land, through the enforcement of soil conservation regulations.

The objective of the soil conservation district is of first rank importance in national affairs. The new type of district not only seeks to conserve the national resources and to stop the widespread economic and human suffering resulting from the wastage of the soil and the impoverishment of the farm,

but it also gives some encouragement to public administrators who share the belief that the object of government is to get certain essential jobs done over the barriers of our legal folklore and the hurdles of our administrative habits.

The first soil conservation district was established on August 4, 1937. One year later, on August 15, 1938, there were eighty-six districts, ranging in size from the Shiloh-O'Fallon District of Illinois with 18,000 acres or 28 square miles, to the Meadow Valley District of Nevada with 2,638,000 acres or 4,122 square miles. Only forty-two of the eighty-six districts cover the area of one county or less. Forty-four of them incorporate within their limits the part or the whole of two or more counties, reaching as high as eight counties in the case of two of the districts in Georgia. Border lines tend to follow natural rather than political lines, since the districts are either watersheds or type-of-farming or extent-of-erosion districts. The eighty-six districts are found in nineteen states. A total of twenty-two states have, since January 1, 1937, adopted statutes modelled after the standard soil conservation districts law prepared by the Department of Agriculture.² The soil

¹See "The County Agent," *Fortune*, July 1938. The Public Administration Committee of the Social Science Research Council is now engaged, under the direction of Professor John M. Gaus of the University of Wisconsin, in making a comprehensive historical study of the administration of the Department of Agriculture.

²A twenty-third state, Montana, also adopted an act, but the Department of Agriculture does not regard it as sufficiently inclusive in its provisions to be classed with the other soil conservation acts. See Philip M. Glick, Chief Land Policy Division, Office of Solicitor, U. S. Department of Agriculture, "State Legislation for Erosion Control," *Soil Conservation*, November 1937; U. S. Department of Agriculture Release, May 2, 1938; Soil Conservation Service, Miscellaneous Publication No. 293, "Soil Conservation Districts for Erosion Control"; *Soil Conservation*, November 1937, entire number; U. S. Dept. of Agriculture, "A Standard State Soil Conservation Districts Law," 1936. See also Philip M. Glick, "The Soil and the Law," *Journal of Farm Economics*, May and August, 1938.

conservation district thus represents a spreading nation-wide experiment in the field of governmental regions and administrative areas.

The ideas behind the soil conservation districts are not entirely new. The philosophy of land conservation and resources planning has roots that dig deeper into the soil of American history than the opponents of national planning realize.³ We have in the past established throughout the country a network of drainage districts, levee districts, irrigation districts, conservancy districts, and similar governmental units that, like the soil conservation district, were designed to conserve the land resources of the nation. Similarly, urban zoning and planning, as a means of controlling the use of city land and the volume and type of city buildings, is a well established technique in the United States, two generations old. And it is interesting to note that the soil conservation district laws have incorporated many of the details of city zoning, including, for example, a board of adjustment with power to grant variations to agricultural land-use regulations, comparable to the zoning boards of appeals in cities. Moreover, before the soil conservation district plan went into effect, rural planning of both physical and human resources was given a good start by the studies of forest-depleted areas and by the relocation programs for the residents of the cutover areas in states like New York, Michigan, and Wisconsin.⁴ Even rural county zoning had made its debut as early as 1929, when Wisconsin, by merely amending its city zoning law, authorized its county boards to enact

rural land-use regulations which would determine the boundaries of use districts for forestry, agriculture and recreation.

What is really unique about the power of the new soil conservation district is the assignment to a local governmental subdivision of a wide range of erosion control powers going so far as the enforcement of detailed and extensive land-treatment and land-use regulations binding upon the individual farm. In other words, rural zoning and planning in the United States is literally being brought down to earth. There have long been numerous state laws compelling farmers to exterminate certain disease-bearing plants and weeds, and our drainage districts have long performed the specific function of widening streams or constructing ditches or directing the flow of water. But the soil conservation district can carry out all kinds of engineering and agricultural operations and can enforce legal regulations designed to control erosion. And what is more, it can compel the farmer on his own land to construct terraces, dams, and ditches; to cultivate according to particular technical methods including contour cultivating, lister furrowing, strip cropping; to plant trees and grasses and erosion-preventing plants; to follow specific cropping programs or to practice rotation; and even to retire steep or easily erodible land from cultivation entirely. Violations of duly adopted regulations are punishable by fine, and in addition, the individual farmer may be compelled by court order to perform the necessary work or to pay for the cost of compliance if the soil conservation district officials enter upon his lands to do the job for him.

These are drastic powers for a parvenu among governmental authorities. But such regulations have been deemed necessary to control the evil. The effects of erosion have been found not

³See Clifford N. Hynning's forthcoming study, "Background of State Resources Planning," prepared for the National Resources Committee.

⁴See Charles M. Davis, "Functional Areas in Political Readjustment," *Economic Geography*, January 1938.

to be confined to the land which is neglected or misused. Erosion strikes downhill or downwind, burying fertile soil under dust and gravel, destroying good farms, impoverishing resourceful families, damaging highways, clogging streams, knocking the economic base from whole communities, enslaving the farm population of wide areas, destroying vast markets for consumers' goods, and thereby deepening economic depression. It has been estimated that half of our six hundred million acres of tillable land is at present ruined or tainted by erosion.

VOTERS OF DISTRICT IN CONTROL

What may help to make the apparently drastic administrative measures of the soil conservation districts palatable to the courts, as well as to the farmers, is the large measure of direct participation and democratic control accompanying the district's powers. None of the ordinances regulating farm land-use can go into effect without a majority vote of the land occupiers affected. In twelve of the twenty-two states having adopted the soil conservation districts law, a mere majority is enough; six more states require a two-thirds vote, two states a three-fourths vote, one state 85 per cent, and one 90 per cent. In fact, the soil conservation district is, from top to bottom, a scheme of self-participation and co-operative regulation. In order to set up a district, at least twenty-five farmers must petition the state soil conservation committee, which determines the boundaries of the proposed districts only after a public hearing at which all the land occupiers concerned may have their say. Then the question of creating the district is submitted to a referendum of the occupiers. The occupiers, moreover, elect three of the five supervisors who govern the district for terms of three years.

These elections, petitions, hearings, referenda have been skillfully woven

into the system under which the soil conservation district is to go into effect and to operate: and not only as a mere sop to those who might demand democratic participation or who fear government interventionism, but as one of the means of securing the necessary understanding, participation, and co-operation without which the venture might be superimposed, but never administered.

STATE AND LOCAL ACTION NECESSARY

Another concession to sound administration is to be found in the doctrine of decentralization which dominates the new district. There is no denying the fact that the plan was fostered by the federal government, chiefly the Department of Agriculture, but the entire scheme is based on a skillful balancing of national leadership and local initiative.

The congressional act of 1935, setting up the Soil Conservation Service in the Department of Agriculture, had, within a year, resulted in the establishment of some 141 federal soil erosion control demonstration areas in forty-one states. But it was realized from the beginning that state legislation and local action would be essential to make the national statute which had no compulsory features effective. Foreseeing this necessity, the Secretary of Agriculture was permitted, under the 1935 act, to require, as a condition to his approval of grants and projects of the Soil Conservation Service, the enactment of suitable state and local soil erosion laws.

Law and action are thus decentralized, but the leadership and direction continue to emanate from Washington. The Department of Agriculture, through its newly created Land Policy Committee, undertook the task of putting the state and local administrative machinery into legal terms by drafting the standard state soil conservation districts law.

With some modifications this standard act was adopted in twenty-two states, again under stimulus from Washington. The President, for example, in a personal letter urged the governors of the forty-eight states to recommend to their legislatures the adoption of soil conservation district laws. Experts from the Department of Agriculture visited the states and explained the provisions of the standard act when called upon to do so.

Although the administrative machinery for the enforcement of the soil conservation acts is under control of the districts and the states, the Department of Agriculture is tied in with the actual operations in a consultative and advisory capacity. The state soil conservation committees (which define the boundaries of the districts, encourage the organization of districts, help districts interchange experiences, and help to coördinate district programs) may contain an appointee of the Secretary of Agriculture⁵ in addition to the state commissioner of agriculture or conservation, the state director of agricultural extension and the director of the state experimental station. The last two state officials on their part have direct administrative and financial dealings with the Department of Agriculture in connection with numerous other agricultural matters. The district supervisors themselves are five local land occupiers, but two of them may be appointed by the state committee.

The districts can also secure direct aid, financial and technical, from Washington. Such aid consists of (1) technical personnel to assist in surveying and planning; (2) supplies of new and uncommon erosion-resistant plants; (3) modest monetary grants for materials, supplies, and equipment; (4)

skilled and unskilled labor provided either through the Citizens Conservation Corps or the Soil Conservation Service. The Department of Agriculture has been careful to warn the districts that such aid and supplies will not be as bountiful as heretofore in other federally sponsored programs. In issuing this warning, the department's object has apparently been not only to avert a heavy burden on Washington, or to maintain a high level of local initiative, but also to solve the sheer technical and administrative difficulty arising from the fact that "federal procurement on a large scale necessarily involves important and essential regulations and procedure. A staff adequate to handle requisitions, records of accountability, and other administrative detail would be both large and costly."⁶

NATION AND DISTRICTS COÖPERATE

Administrative coöperation between Washington and the districts is further provided for by means of detailed co-operative agreements known as "memoranda of understanding" entered into between the soil conservation district and the United States Department of Agriculture. The memoranda of understanding conditions the granting of services and aid upon the adoption by the district of certain standard practices, including, for example, a standard form of coöperative agreement with land owners providing for soil conservation work to cover a period of not less than five years. Moreover, before the memorandum of understanding can be entered into, the district must have adopted "a comprehensive coördinated work plan for the conservation of soil resources," and the work plan is incorporated into the memorandum as an appendix. Of

⁵As a matter of practice, the secretary of agriculture does not take advantage of this power, but appoints only advisory members.

⁶Dillon A. Myer, Chief Division of Co-operative Relations and Planning, Soil Conservation Service, Department of Agriculture, "The Next Step: Emphasis Shifts to District Plan," *Soil Conservation*, November 1937.

the eighty-six existing districts, forty-four have already entered into such agreements with the Department of Agriculture.

All this constitutes a careful combination of central planning and local administration. The agricultural administrators have studied and analyzed the problem of conservation, not only in terms of preventing soil waste or preserving price parity for the farmer, but also in terms of the administrative and legal barriers that are invariably thrown up to resist its solution. They have incorporated into their soil conservation district experiment a number of devices, some of which are new while others are borrowed from our experiences in the field of resources planning and urban zoning:

(1) A unique governmental subdivision without the power to tax and with an area of administration that has to follow topographical lines and therefore cannot be identified with any of the overly abundant local government areas now existing. The Department of Agriculture in publicizing the standard soil conservation districts law admitted that "there now exist too many local government subdivisions," but it justified a distinctive governmental unit, because no other authority conformed with the area necessary for conservation administration. Moreover, the district is not subject to the traditional objection against overlapping government, since it is given no independent taxing power.

(2) A system of compulsory land use regulations combined with popular control over their adoption and enforcement by the land occupiers subject to them. Agricultural government thus combines some degree of compulsion with democratic administration.

(3) A wide range of powers to operate all sorts of soil conservation

devices now being used in the field of agriculture. Enumerated and general powers leave room for all possible agricultural techniques available now and in the future.

(4) Direct relationships with Washington, resulting in central technical aid and services together with local planning and administration.

(5) Inclusion of the state level of government, partly for advisory and partly for administrative purposes. While the districts have been set up as independent authorities capable of negotiating with the federal government, the states have not been entirely bypassed.

(6) The weaving into the scheme of standard legal arrangements, including standard cooperative agreements between land owners and soil conservation districts, standard memoranda of understandings between districts and the Department of Agriculture, comprehensive coordinated work plans for the district, standard state soil conservation district laws. The translation of administrative relationships and procedures into precise terms and enforceable legal documents, without permitting the legal symbols to become ends in themselves but merely means to accomplish desired social policies, is perhaps one of the principal accomplishments of the new soil conservation districts. In order to put all of this legal and administrative machinery into operation our agricultural administrators did not hesitate to plan and even elucidate the necessary legislation.

Perhaps it is by such means, using all proper devices at hand in order to achieve aims that have been adopted as matters of policy, that we may push forward the frontiers of prudent practice in the field of public administration.

Nebraska's Unicameral Legislature

Saves Money for Taxpayers

By L. E. AYLSWORTH
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Claims of its advocates that adoption of a one-house body would result in a marked reduction in legislative costs fully substantiated by figures now available.

SEVERAL incomplete, very inaccurate or biased statements regarding the cost of Nebraska's unicameral legislature have been published and are being circulated. A statement of the actual facts that is complete, accurate, and impartial appears to be needed and worth while, in order that interested citizens the country over may be rightly informed. The following presentation, based on a thorough examination of the record of legislative expenditures in the office of the state auditor, attempts to achieve this result.

The constitution of Nebraska contains the unusual provision that "the auditor shall within sixty days after the adjournment of each session of the legislature, prepare and publish a full statement of all moneys expended at such session, specifying the amount of each item and to whom and for what paid." This statement gives all legislative expenditures until three to six weeks after the regular session ends. It has always included the total salary of members for their entire term unless a special session was held later. But it has never included all the expenditures of a legislature during its term. These continue for over a year and a half until the next legislature meets. Such expenditures have included in the past the preparation and publication of the permanent senate and house journals and the ses-

sion laws, also the custodial care of the chambers and other rooms devoted to legislative purposes. Under the unicameral system they now also include the salaries of the members, expenses of the office of the permanent clerk, and of the legislative council for the rest of the term. These post-session expenditures, therefore, have to be taken into account in order to arrive at a complete and accurate statement.

Legislative costs in Nebraska under the bicameral system, while usually greater than necessary, have been moderate compared with those of many other states, and never flagrantly excessive. Nevertheless, unicameral advocates urged that the adoption of a smaller one-house legislature would result in a marked reduction in legislative costs even though the salary of members was more than doubled. A careful examination and comparison of the records show that they fully substantiate this claim.

Nebraska's first unicameral legislature, despite statements to the contrary,¹ both appropriated and expended much less for legislative purposes than any of its bicameral predecessors for over a decade. The average appropriation of the last five bicameral legislatures was \$220,793.63 for regular sessions only, and \$240,893.63 if the three

¹"The total cost of the unicameral session . . . was \$237,581.96, an increase in round numbers of \$32,000 over the cost of the . . . most expensive bicameral session in the history of the state." See G. E. Price, *Unicameralism in Practice, The Nebraska Legislative System*, p. 173. H. W. Wilson & Co., New York, 1937. This glaring misstatement is due mainly to three errors: the counting of the annual \$37,500 salary three times instead of two; the inclusion of a vetoed appropriation of \$10,700; and the figuring of appropriations as actual expenditures.

	<i>Appropriations for Unicameral Legislature</i>	<i>Unexpended Balances</i>	
		<i>Sept 1, 1938</i>	<i>Dec. 31, 1938</i>
Incidentals (by legislature 1935)	\$2,000.00	None	None
Salary, members	75,000.00	\$8,600.26	\$0.26
Employees, supplies, etc.	77,143.60	6,052.53	4,500.00
Printing Journal, Session Laws	10,000.00	5,936.08	5,936.08
Salary of permanent clerk	7,200.00	3,000.00	1,800.00
Legislative council	15,000.00	10,562.67	8,000.00
TOTAL	\$186,343.60	\$34,151.64	\$20,236.34

special sessions are included. The average expenditure was \$194,479.94 for regular sessions, and \$211,733.46 for both regular and special sessions.

The total appropriations by the unicameral body for legislative expenses with their unexpended balances are shown by the tabulation above.

The \$4,500 and \$8,000 balances on December 31, 1938, (the end of the

term of the present legislature) are conservative estimates. At the present rate of expenditure they are likely to be somewhat larger. The other three balances are definite and sure.

The following detailed comparison of the expenditures of Nebraska's last bicameral and first unicameral legislatures brings out clearly the lessened cost of the latter not only for salaries but also for other expenses:

COMPARATIVE COSTS OF 1935 AND 1937 LEGISLATURES*

	<i>Bicameral Legislature, 1935-36</i>			<i>Unicameral Legislature, 1937-38</i>
	<i>Regular Session to Dec. 31, 1936</i>	<i>Special Session to Dec. 31, 1936</i>	<i>Total for Both Sessions</i>	<i>Regular Session to June 30, 1937</i>
Salaries:				
Members	\$106,660.00	\$13,300.00	\$119,960.00	\$37,499.87
Officers	11,142.00	2,135.50	13,277.50	4,510.50
Employees	34,338.89	5,125.40	39,464.29	26,867.06
Supplies	7,828.88	1,701.46	9,530.34	3,612.11
Printing	26,106.12	2,954.72	29,060.84	15,267.13
Telephone and Telegraph	692.24	268.23	960.47	388.19
Postage	7,287.40	1,221.65	8,509.05	6,300.00
Travel expenses:				
Mileage	3,698.40	3,679.50	7,377.90	565.11
Special	1,034.85	170.48	1,205.33	188.36
Expert assistance:				
Legislative reference bureau	4,000.00	—	4,000.00	4,000.00
Legislative counsel	1,180.00	340.00	1,520.00	4,697.05
Special legal, auditing, stenographic, and medical	1,317.65	176.90	1,494.55	—
Journals:				
Preparation	2,950.00	572.00	3,522.00	—
Printing	5,470.70	1,074.75	6,545.45	1,477.12
Session laws:				
Preparation	856.50	437.00	1,293.50	—
Printing	4,482.26	2,302.92	6,785.18	2,586.80
TOTAL	\$219,045.89	\$35,460.51	\$254,506.40	\$107,959.30

*In this comparison the salary of the lieutenant-governor is eliminated for all three

sessions because the attorney-general holds that he is an executive officer whose salary is not a legislative expense.

TOTAL UNICAMERAL EXPENSES TO JUNE 30, 1937 (FORWARD)		\$107,959.30
<i>Unicameral Expenditures from July 1, 1937 to September 1, 1938</i>		
Salaries of 43 members—three-quarters, 1938		\$28,899.87
Clerk's office		
Salary of clerk	\$4,200.00	
Salary of secretary	1,830.00	
Custodial service	2,112.40	
Renovating legislative chambers	1,231.90	
Other expenses	1,521.26	
		10,895.56
Legislative Council		
Expenses, members	\$963.89	
Assistants payroll	2,798.22	
Other expenses	675.22	4,437.33
		44,232.76
<i>Expenditures from September 1, 1938, to December 31, 1938</i>		
Salaries of 43 members		\$8,600.00 ^a
Clerk's Office		
Salary of clerk	\$1,200.00 ^a	
Secretary, custodial service, and supplies	1,552.53 ^b	
		2,752.53
Legislative Council		2,562.67 ^b
		13,915.20
TOTAL UNICAMERAL EXPENDITURES FOR BIENNIUM		\$166,107.26
^a Definite	^b Estimate	

Inspection of this comparison shows that the total cost of the unicameral legislature for the biennium, including the expense of both the permanent clerk's office and the legislative council, will be only \$166,107.26 as against \$219,045.89 for the regular bicameral session—a reduction of \$52,938.63 or 24.17 per cent. If the expense for the legislative council be excluded for two reasons: first, that it is a new institution not provided for by the bicameral legislature; and second, that its function is to gather and prepare material for the use of the next legislature, the saving jumps to \$59,938.63 or 27.36 per cent.

These comparisons are all on the basis of one regular session for the biennium. But, what about the comparative cost of unicameral and bicameral in case a special session is found necessary? In 1930 the total cost of a special session of eleven days was \$23,861.06, and the next year for another of equal length, \$26,746.05.

The special session of twenty-four days in 1935 cost a total of \$35,460.51. A little thought will show that the additional cost of a special session under the unicameral set-up will be much less than this. There will be no extra expense for the salaries of the members and the permanent clerk. The extra mileage expense will be only one-sixth of what it was formerly. Other expenses will also be less. Hence a special two- to four-weeks session of the unicameral can be held at an extra cost of \$10,000 or less. This would make a total of only \$176,107.26 for a regular and a special unicameral session as compared with \$254,506.40, the cost of the two sessions of the last bicameral legislature—a saving of \$78,399.14 or 30.8 per cent.

The chief saving as predicted is in the salaries of members and officers. There is a saving in the expense for employees but not so much as expected. The amount of work and correspondence devolving upon the forty-three

members was probably as great as that upon the 133 members of any bicameral session. Hence more secretarial assistance was needed. Then, too, committees were supplied with secretaries as never before, to promote the keeping of better records of their proceedings. This expense for assistance was well worth while. In the future, doubtless more care will be exercised to assure the selection of somewhat fewer and, in some instances, more highly qualified employees. There is a striking drop in mileage and special transportation. The expenditure for the latter of only \$188.36 is phenomenally low. There was certainly nothing even suggestive of legislative junketing in the record of the unicameral body. In fact for this small expense to the taxpayers all or a part of the committee on appropriations, without prior notice, visited and inspected all the state institutions, some twenty-five in number, without a single exception, a record hitherto unequalled.

Another very noteworthy decrease in cost is that for the preparation and printing of the permanent legislative journal and the session laws. The last bicameral legislature spent \$4,815.50 for preparing, and \$13,330.63 for printing, its permanent journals and session laws, a total of \$18,146.13. The cost of printing the unicameral journal and session laws was only \$4,063.92. The preparation for printing was done by the permanent clerk and staff. The difference, \$12,082.21, is more than enough to pay all the extra expense of the permanent clerk's office for the entire biennium.

The unicameral expenditure for postage while less than formerly is probably too high. The body persisted in continuing the very questionable practice of a flat postage allowance per day for all members. This was elevated from thirty-five cents to one dollar, or \$98.00 to each member for the ses-

sion. No doubt some members actually spent this, or even more, for official purposes. But in too many instances this allowance was to a large extent an unjustifiable personal perquisite. This fixed daily allowance should be abolished and the postmaster authorized to record and stamp all official mail presented by any member.

For only one aspect of legislation did the unicameral legislature appropriate and spend more than any bicameral legislature, namely, expert assistance and counsel. Some \$8,700 was spent during the session for such aid, or \$3,500.00 more than by the last regular bicameral session. Impressed by the number of important acts passed by the last two legislatures that had been stricken down by the state supreme court as unconstitutional, the unicameral legislature broke new ground by spending \$4,700 for a special group of three legislative counsellors to pass on the constitutionality of bills as to which there was any doubt. A similar increased recognition of the need of planning, research, and competent assistance in order to secure proper and effective legislation and records was shown by the establishment of the permanent clerkship and the legislative council with special appropriations of \$22,200 for their expenses.

A final observation seems pertinent. The \$50,000 to \$75,000 reduction in legislative costs by the first unicameral legislature, compared with the last bicameral, will doubtless appear small to many in these days of huge governmental expenditures, and more so in some other states than in Nebraska. But it is the percentage of reduction, not the amount, that is of vital importance. A like reduction in legislative costs in Illinois would equal from \$300,000 to \$400,000 each biennium, and in Pennsylvania from \$500,000 to \$600,000.

Public Personnel Administration

THE special significance of sound management in the public service arises in part from its magnitude, in part from the character of the services which it provides. Government in the United States requires over 3,000,000 full-time officials and employees, scattered among 175,000 jurisdictions, large and small. The scope of the management problem is more precisely indicated by referring to the official services of a few jurisdictions. Thus the largest employer in the United States is the federal government, with a pay roll of about 825,000 persons, excluding relief workers. To manage the affairs of New York City, about 96,000 employees are required; the state of New Jersey employs about 10,000; the Tennessee Valley Authority over 15,000 during the period of dam construction. Among these thousands practically every profession, calling, and skilled trade find their representatives.

Public personnel administration is therefore large-scale management, emphasized in many cases by the continental dispersion of officials and employees. Its social significance arises from the nature and quality of its services, designed to facilitate the safety, comfort, convenience, and security of 130,000,000 people. It is consequently of cardinal importance that sound management principles and methods be observed, both to eliminate avoidable waste and to secure in greatest measure the social ends in view.

A substantial degree of success has already been achieved in eliminating politics from the public service. The educational system is practically free from partisanship; the scientific, professional, and technical services are maintained on a high level; no less than 532,000 positions in the federal service are under the merit system, and Presi-

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Sound management principles and methods of prime importance in the task of directing the more than three million employees of national, state, and local governments in this country.

dent Roosevelt, by executive orders made public June 24th, extended competitive civil service requirements as of February 1, 1939, to 100,000 additional positions. A recent analysis indicated that of the total number of public positions in the United States over two-thirds were protected by formal standards of one type or another.

It is principally within this area that public personnel administration has developed its best techniques. In the United States emphasis has been upon management, not law, and in this respect our literature differs from the literature of public administration of continental countries.

The management of personnel in this country is shared by the operating departments and a central personnel agency. To the departments is left a large degree of responsibility for such operations as formal appointment from lists of eligibles, assignment, determination of duties, supervision, training, transfer and reassignment, promotion, and usually discipline.

To the central personnel agency is given responsibility for recruitment by means of various types of open competitive examination, certification of qualified eligibles, the classification of positions established by the departments on the basis of their duties and responsibilities, the development and supervision of an efficiency rating (service rating) plan, the determina-

tion of eligibility for retirement pensions (less frequently eligibility for compensation for injury), and in some cases the hearing of appeals on disciplinary matters. In general the range of activity of the central personnel agency is increasing, but not rapidly.

Historically, the central personnel agency in the United States has been a civil service commission, usually composed of three members and usually appointed by the chief executive for a term of six years, one member retiring every second year. Such an agency was designed to be independent of control by the elective, political chief executive. It reflected the early interest of civil service reformers in protection of the public service against partisanship. The first civil service commission was that of the United States government, established in 1883. There are now 485 similar commissions in the states and their subdivisions.

DIRECTOR VS. COMMISSION

More recently there has been a movement of opinion in favor of a personnel director, in lieu of the civil service commission, appointed by the chief executive and directly responsible to him. City managers generally prefer this form of organization: it has been adopted in a few cities, and in the states of Maryland, Maine, Arkansas, and Michigan, sometimes with an advisory or limited jurisdiction commission; and it has been recommended by President Roosevelt for the United States government. This form of organization reflects a desire for a more positive rôle for personnel management; it borrows directly from business practice, and reveals confidence in the good intentions and capacity of the chief executive. Opinion of students of management in government varies as to the preferred type of organization, but the trend appears to be in the direction of the personnel director.

A word may be added on a related

point. The original conception of the central personnel agency was that of the policeman, the external authority which enforced the requirements of the law of public employment and the civil service regulations. While the need of an enforcement authority has not vanished, much greater emphasis is now given to the rôle of the central personnel authority as a service agency, designed to aid the operating units in handling their personnel problems.

This point of view leads directly to the recognition of personnel administration as a branch of overhead management. The recent report of the President's Committee on Administrative Management emphasizes this relationship, and proposes to make the civil service administrator one of three principal management agencies of the President, the other two being the director of the Bureau of the Budget and the chairman of the National Resources Committee, an organ of central planning.

We may now turn to consider a few of the principal techniques employed by the American personnel agencies, concentrating attention on those which are both characteristic of American practice, and also rather sharply differentiated from the practice of European countries.

1. *Examination Techniques.* English and American examination methods differ at many points. The former are closely related to the educational system, designed to draw into the public service the best product of the secondary schools and universities; the latter are only incidentally related to the school system and are designed to test the fruits of experience on particular tasks rather than of general education.

American examinations are designed as a rule to test present ability to do a specific designated job. Much experimental work has been done to develop tests whose predictive value can be

ascertained. In form these tests are short answer, true-false, multiple choice, completion, relations, and others. This type has generally replaced the free answer type, especially for junior posts. In objective, they are intended to test general intelligence, knowledge, aptitudes, or skills, occasionally attitudes. Many exceedingly ingenious short answer tests have been developed, and their results subjected to statistical analysis to determine their validity and reliability. Indeed experimental work in the technique of testing is one of the principal characteristics of American public personnel procedures. Illustrative examples are printed in the annual reports of the United States Civil Service Commission since 1924.

2. *Duties Classification.* Commencing about 1910, much attention has been given to the precise definition of positions on the basis of their respective duties and responsibilities. The purpose in view is to throw all like positions into a single category, irrespective of departmental lines, so that incumbents of the same class of positions will receive the same rate of pay, will have the same line of promotion, and so far as possible will have the same opportunity for a career.

The description of positions in a duties classification is referred to as a specification, and usually includes the title of the position, a very careful and precise statement of duties (sometimes a formal definition as well), a statement of the minimum qualifications required to perform the work in question, and usually an indication of the lines of promotion. In addition, the scale of compensation is appended, although the pay structure is an independent entity, related to but not technically a part of the classification scheme.

Classification has become one of the standard techniques of public person-

nel experts, widely recognized as forming, with examinations, the basis of sound personnel management. A well constructed classification system, with accurate allocations of jobs to classes of employment, has been found exceedingly useful in preparing examinations, in setting equitable rates of pay, in facilitating transfers and promotions, in preparing efficiency ratings and in other personnel operations. It may be added that the technique of duties classification is an indigenous American product.

3. *Efficiency Ratings.* For twenty years there has been an intensive search for a satisfactory method of recording and evaluating performance on the job. While several ingenious forms of ratings have been devised, no one has yet been accepted as standard, and wide variety exists as between forms actually in use. In general, it may be stated that the ideal rating form as visualized by Americans, is "objective," brief and easily administered, and reliable. The ideal remains as yet unattained, but belief in the need for a rating system is universal.

TYPES OF RATING

For ten years the federal government employed a graphic rating scale, which recorded achievement on fifteen qualities, and which resulted in a numerical grade carried out to the hundredths of one per cent. This high degree of formalism was abandoned in 1935 in favor of a more flexible system which permits a record of certain qualities and results in an allocation to one of five grades, ranging from very satisfactory to poor.

A different type of rating scale was invented by Mr. J. B. Probst of St. Paul, which consists in essence of an elaborate personality inventory including over eighty items, from among which the rating officer selects the fifteen or twenty which characterize any individual. Each item has a weight ar-

rived at by extensive experimentation, and the results are stated on a letter scale having eleven categories.

The New York City Civil Service Commission devised a method in 1936 which requires the submission of specific evidence which can be verified by investigation as the basis for an exceptional efficiency rating. This system tends to defeat a common tendency to award high ratings to most employees, and to objectify the grounds for unusually high grades. Central review by the commission tends to standardize the criteria of judgment.

In cases in which a record of production is feasible, it forms the best performance rating. For many types of positions in the public service, this is impossible and recourse is had to some form of judgment rating. While the results are often unsatisfactory, there is nevertheless a widespread conviction that some recurrent record of performance should be kept.

4. *In-service Training.* This phase of modern personnel work is of recent origin. It is exemplified by police and fire-fighter schools, various short courses conducted by state leagues of municipalities, and by the Graduate School of the United States Department of Agriculture, all official in nature; and among many unofficial undertakings, by the programs of Harvard University, the University of Minnesota, and American University in Washington, D. C.

In-service training is, by definition, concerned with the further education or training of present members of a governmental organization. It is not designed for cultural purposes, but for more efficient performance of present or prospective responsibilities. It is to be sharply contrasted with *pre-entry* education or training for subsequent public service positions, the task of sec-

ondary schools and technical colleges, liberal arts colleges, and universities.

Provision of in-service training is one recognition of the public service as a career. It implies selection from within the service for appointment to higher posts, but as yet this is hardly the rule, excepting in certain services, such as police and fire in municipal government, and the United States Public Health Service and others in the federal government. It is defensible as the least expensive and most satisfactory method of utilizing the potential human resources of an organization. It improves esprit de corps.

A BALANCED PROGRAM

These are only a few of the phases of a well rounded personnel program in the public service. In addition to recruitment and classification, efficiency ratings and in-service training, a balanced program will be concerned with other factors. These include a plan for the fixing of salary scales, means of facilitating the proper placement of employees, their transfer from time to time, intelligent supervision, a promotion plan, protection against arbitrary discipline which at the same time safeguards the proper use of authority, and a retirement plan which provides for the contingencies of old age and disability. A complete program will also make provision for a variety of services, such as instruction in safety methods, health and hospital insurance, maintenance of credit unions or other credit facilities, and various types of recognition which make for high morale. Management will recognize also the right of public employees to organize and to present their claims or grievances as a group. Finally, no program of public personnel administration is complete which lacks means of testing operating results and which fails to make some provision for research leading to improved methods.

European observers will note two gaps in American methods. We have not devised any tested means of discovering administrative talent at an early date, nor of developing the administrative skill of those who may be presumed especially competent. In this crucial, constructive and creative area we proceed by chance or by rule of thumb, deprived of help from science or management. Most European systems are but little better off than the American in this respect.

Europeans will also observe a lack of the formal disciplinary procedure which characterizes many continental jurisdictions. The business philosophy of "hire and fire," tempered by the absence of competitive pressure, tends to dominate public service discipline, rather than the administrative law procedures of the continent. Public administration in America, in fact, is still deeply affected by its dual inheritance, politics and big business, an inheritance of quite a different order from that which underlies the public services of Great Britain, France, Germany, Holland, or Sweden.

It is principally due to "politics" that no satisfactory line has been drawn between the permanent and the policy-forming levels of administration. In any administrative agency we recognize the desirability of placing the highest responsible positions at the disposal of the party in power, in order to insure ultimate popular, democratic control. The number of such positions is small, including principally the head of the department, one or more assistant heads, one or more executive assistants, and a few confidential secretaries.

In most cases positions of bureau chief and all lesser positions fall in the permanent, technical, or professional branches. The reason for excluding these positions from replace-

ment for party reasons is partly because they have little, if anything, to do with policy, partly because they require above all the expertness which only continuity of service can bring, partly because they must serve as the principal prizes to attract able juniors into a career service.

In fact, however, the line of differentiation between policy-forming and policy-executing positions has been drawn to favor the power of party to appoint on a broad scale. In the federal service, however, a sound allocation is usually found in the older establishments. A systematic exposition of the considerations which govern the assignment of positions to each of the two major categories has not yet been made.

RESEARCH GROUPS

One symbol of a progressive art or science is the existence of research agencies concerned with the discovery or invention of new methods. The art and science of public personnel administration have their research facilities, both official and unofficial. One of the principal units is the research division of the United States Civil Service Commission, organized in 1924 and charged primarily with the responsibility for development of standardized examinations. It has, however, carried on inquiries into many aspects of personnel administration. Many of the larger state and municipal civil service commissions carry on specific inquiries arising from their operating problems.

The Civil Service Assembly of the United States and Canada is in part a research organization, and the former Bureau of Public Personnel Administration which once served as the agent of the Assembly carried on considerable research and publication. The Personnel Federation and the Taylor Society are primarily concerned with

(Continued on Page 517)

Coöperative Purchasing in the United States and Canada

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Experiments in scattered instances with cooperation in the purchase of supplies for local units of government suggest that extension of the idea should prove efficient and economical.

THE advantages arising from the pooling of buying power and the co-operative purchasing of supplies, materials, and equipment by separate and distinct units or corporations seem to have been realized first by business. The first such retail buying associations in this community, according to Professor W. L. White, were four in the drug trade and four in the grocery trade, established between 1887 and 1900.¹

Since that date coöperative purchasing in business has become quite a common and accepted thing. Indeed, in the past few years "buying pools" have been formed by business "giants" in order to meet the competition of "supergiants." Thus, in 1934 it was reported that a buying pool named Food Distributors Association, Inc., had been formed by the Kroger Grocery and Baking Company, Safeway Stores, Inc., First National Stores, Inc., American Stores Company, and the National Tea Company, to meet the competition of the Great Atlantic and Pacific Tea Company. In the same year it was announced that about two hundred leading department stores, in-

cluding such big names as R. H. Macy and Company, John Wanamaker, The May Company, and J. L. Hudson Company would extend their buying pool to meet the competition of the five-and-ten-cent chains, the five-cents-to-one-dollar stores and the mail order houses.²

Outside the field of private business, and bordering on that of government, is the work of the Hospital Bureau of Standards and Supplies of New York City. Beginning in 1910 as a co-operative buying pool for four voluntary hospitals it has expanded until its present membership consists of 210 voluntary non-profit-making hospitals located from Maine to Texas, and from New York to Kansas. The volume of purchases has grown in twenty-seven years from \$25,000 to \$2,100,000 per year, covering almost everything used in a hospital.

Member institutions pay dues of \$200 a year if their expense budget exceeds \$50,000 annually, and \$100 if their annual expenses are less. When commodities are purchased through the bureau under jobbing arrangements, the members must pay in addition a 2 per cent service charge. The bureau's budget now approximates \$60,000 a year; and it has built up a cash reserve of \$100,000 with which it pays for the goods bought through it.

The services of the bureau are four-fold: (1) a price quotation service, from a nation-wide viewpoint, on hospital supplies and food stuffs; (2) buying arrangements based on the pooled requirements of the member institutions; (3) technical advice based on

¹W. L. White, *Coöperative Retail Buying Associations*, McGraw-Hill, 1930.

²*Business Week*, August 4, 1934, and September 22, 1934.

research, laboratory analysis, and the experience of the membership; and (4) special information as to sources of supply, prices, use-value, etc., upon request.

The bureau claims that "the information received through bureau membership alone will enable any institution to save on the average fully 10 per cent on its purchases of the kinds of supplies handled by the bureau, regardless of the source through which its purchases are made." The growth of the bureau's membership and volume of business would seem to indicate the merit of this claim.

Although government-operated hospitals are eligible to membership, none participated in this coöperative purchasing association.

In comparison with the record of private business, coöperative purchasing by governmental units in this country is in its infancy. Despite its youth it has an interesting and instructive history.

CANADIAN SCHOOLS COÖPERATE

The earliest known example of coöperative governmental purchasing on this continent is that of the Saskatchewan School Trustees' Association, whose headquarters are in Regina. This Canadian experiment began in 1924, and has a continuous record to date. Until 1932 the association published a catalogue, the copy for that year containing forty pages. The catalogue lists school furniture, blackboards, heating systems, books, and the usual school room supplies, including physical science apparatus. The cost of publishing it was met by the vendors whose products were advertised. Poor crops and the depression proved a setback, and the volume of business since 1932 has not warranted printing more than a price list.

The operation of the Saskatchewan system may be described briefly as follows. The association asks for bids to cover the orders for supplies received from the various schools. The school then orders through the association's office, and the vendors ship direct to the school and collect from them. The association charges 2 per cent to cover its cost in the operation.

The School Trustees' Associations of Saskatchewan, Alberta, and Manitoba have coöperated for the past eight years to reduce the cost of school fire insurance as far as possible without sacrificing security. These associations have arranged with three Canadian mutual fire insurance companies to use premium income in excess of the amount required to meet losses and necessary operating expenses to reduce premium rates on the schools insured. Policies of \$2,000 and over are reinsured with underwriters of London, England.

At the end of 1937 it was reported that 5,550 schools were insured through this coöperative plan, the volume of the insurance amounting to \$12,536,559, an increase of \$286,000 during the year.

To prevent fire losses, and further reduce the cost of fire insurance, the School Fire Insurance Committee each year circularizes every school secretary in the three provinces, urging the trustees to personally inspect school property for fire hazards, and return a report on their findings to the committee. These reports are later forwarded to the fire insurance companies for their information. Since May 1937 all schools insuring under the coöperative plan have been given fire extinguishers by the companies free of charge. This is the result of a suggestion of the committee, which is calculated to reduce fire losses and again lower rates. The cost of fire insurance premiums

has been reduced one-third under the coöperative plan.³

Next in order of development is the coöperative purchasing system of eight schools situated near Alamosa in the San Luis Valley, Colorado. The superintendents of these schools have engaged in this undertaking since 1927, buying coöperatively this past spring for the eleventh consecutive time. Supplies are purchased in two classes: (1) janitors' supplies, and (2) flat paper and miscellaneous supplies. It is assumed that there will be a carload of janitors' supplies and the vendor must pay the transportation charges to each school.⁴

The largest coöperative governmental purchasing association known in this country, from the standpoint of governmental units purchasing, is the Kansas School Purchasing Association, now known as The School Purchasing and Supply Association, of Sterling, Kansas. Beginning its activity in 1930 it now has something over five hundred active accounts, or schools, participating. In addition to schools in Kansas, some of those in Oklahoma and Nebraska participate in the purchase of school supplies, office equipment, janitor supplies, class jewelry, trophies, caps and gowns, and diplomas. The volume of such coöperative buying during 1937 amounted to \$52,000.

CINCINNATI A SHINING EXAMPLE

The coöperative purchasing association doing the largest dollar volume of business is that operating in Cincinnati and Hamilton County, Ohio, organized in 1931. The county of Hamilton, the public library, the city of Cincinnati,

the University of Cincinnati, and the city school district of Cincinnati coöperate in the purchase of some 150 different commodities.

With respect to the volume of business, Mr. Harry Wagner, Cincinnati's purchasing agent, states: "Accurate figures showing the extent of our coöperative buying during 1937 are not available. However, I would say that a conservative estimate would be in the neighborhood of \$500,000. This figure includes more than 1,000,000 gallons of gasoline, 100,000 tons of coal, and such items as automobile tires, automobile lubricating oils, industrial lubricating oils, cement, gravel, sand, and miscellaneous road building materials, and miscellaneous items included under the general classification of cleaning supplies, stationery, and mill supplies."⁵

The Educational Buyers' Association is a professional association of the purchasing agents of American colleges and universities, organized in 1921. It includes representatives of 316 institutions of higher learning, about 10 per cent of which are supported by governmental funds. Although coöperative purchasing was discussed by this group for years, it was not until 1935 that the experiment was undertaken. Unusual problems faced this group because their institutions were scattered over the entire country, having, therefore, varying needs, price conditions, and transportation problems. For some time an effort was made to secure from vendors a special price for members of the association. "This did not work successfully, however, because after the other sources of supply learned of the prices and discounts, they would also lower their prices to that point. However, with the new method in purchasing, we are buying and selling as a sep-

³Taken largely from "Report of School Fire Insurance Committee for the Year 1937," by R. H. Heane, *The School Trustee*, published by the Saskatchewan School Trustees' Association, Vol. 8, No. 8 (April 1938), p. 10.

⁴"Coöperative Buying for Schools," by C. P. Young, *American School Board Journal*, July 1936, p. 28.

⁵Letter to writer dated August 26, 1938.

arate corporation and each member will participate in the profits. We can buy at given prices and sell at the prevailing market price in the particular location of the member who wishes to make the purchase. In this way we are not breaking down the price structure and we are not quoting our cost to the member."⁶

The association is interested in such commodities as the following: metal files, metal and wooden tables, steel desks, rag stock paper, mimeograph paper, electric lamps, paint, certain hardware, electrical supplies, floor wax, library cards, shade cloth material, file cards, dies, and folders. Mr. Johnson estimated the volume of coöperative purchasing done by the association in 1935 to be \$156,000.

Three different school coöperative purchasing associations are known to have given up this interesting activity. The reasons for their abandoning coöperative purchasing are instructive.

In 1930 fourteen schools in northwestern Illinois organized the Blackhawk School Purchasing Association under the leadership of Mr. M. R. Stephan, then superintendent of schools of Stockton, Illinois. Vendors were asked to bid on the combined requirements of all the schools, and then the individual schools ordered from the successful bidder, the supplies being shipped directly to the school concerned. The volume of business approximated \$2,000 per year. Mr. Stephan advises that the inauguration of the NRA and a reduction in the price of school supplies during 1934 com-

bined to cause them to drop coöperative purchasing.

In 1932 and 1933 nine of eleven schools in Hennepin County, Minnesota, purchased school supplies coöperatively. "Later on, one or two superintendents failed to observe the coöperative buying policy and placed their business elsewhere with other companies who had failed to receive any business in the coöperative plan and the prices made to these independent superintendents was such that it threw the coöperative buying idea into disfavor." There was also a feeling that local suppliers should be patronized when their prices were no higher than those obtained from bids on pooled buying power.⁷

The North Country School Association, composed of schools near Berlin, New Hampshire, bought supplies coöperatively in 1932.⁸ Mr. L. P. Young, superintendent of the Berlin public schools, explains the fact that these schools purchased coöperatively for only one year as follows: "Although some savings were made there seemed to be too many objections to warrant continuing the practice. Some of the objections were: (1) superintendents of different school districts did not agree as to which quality of an article was most economical to purchase; (2) superintendents did not want all articles shipped to a central stock room; (3) supply houses objected to giving quantity prices and then shipping and billing to several different points and boards of education; (4) supply houses and salesmen did a great deal of talking to discourage it."⁹

⁶Letter dated July 22, 1938, from Mr. Theodore M. Johnson, treasurer, Educational Buyers' Association, New York University. But see also "The Coöperative Purchasing Plan of the Educational Buyers' Association," by Theodore M. Johnson, *Association of American Colleges Bulletin*, Vol. 22, p. 652, December 1936; also "The Educational Buyers' Association," by George R. Kavanaugh, *Junior College Journal*, May 1936, p. 405.

⁷"Coöperative Buying in Schools," by O. S. Glover, *Minnesota Journal of Education*, November 1932, and letter to writer dated August 15, 1938.

⁸"Buying School Supplies Coöperatively," by L. P. Young, *American School Board Journal*, May 1933.

⁹Letter to writer dated August 9, 1938.

Perhaps the best known instances of coöperative governmental purchasing in this country are those operated by some of the state municipal leagues. Beginning with the Michigan league's purchase of fire hose for six cities in 1930, league after league has followed suit, until, at the present time, eleven leagues are doing something in this field. The table below presents some interesting data about this activity.

COÖPERATIVE PURCHASING BY STATE LEAGUES OF MUNICIPALITIES

<i>League of Municipalities</i>	<i>Date Coöperative Purchasing Started</i>	<i>Dollar Volume of Coöperative Purchasing 1937</i>	<i>Commodities Purchased Coöperatively</i>
Michigan	1930	\$26,700	Fire hose, street name signs, traffic paint, traffic regulation signs, water meters, street push brooms, motor sweeper fiber, grader blades, incandescent lamps, and seventeen other items in smaller quantities Election supplies and license forms
Nebraska	1930	1,558	Fire hose
Wisconsin	1933	5,200	Fire hose
Virginia	1936	570	Fire hose
Oregon	1936	3,700	Fire hose
South Dakota	1936	500	Fire hose
Kentucky	1937	480	Water Department record books
Colorado	1937	1,500	Fire hose, brass goods
North Carolina	1937	Not stated	Fire hose, street name signs
Missouri	1938	No record yet	Fire hose, fire sirens, fire department brass goods, salvage covers, street name signs
Arkansas	Recent	"Sales discouraging so far"	Fire hose

It will be observed that the commodities purchased are rather limited as to type, and that the dollar volume of purchases is quite modest in most cases. The Michigan league still appears to be the leader in volume and variety of buying. It reports that twenty-eight cities coöperated in the purchase of a single commodity, the largest number reported by any state league.

The Texas and Iowa state leagues, reputed to be practicing coöperative purchasing, state they are not active in this field.

It would seem that, on the whole, the coöperative purchasing of state leagues of municipalities is significant principally because of the promise it holds for the future.

The principal justification for coöperative purchasing is, of course, the lowered costs generally resulting from buying in large quantities. Coöperative governmental buying associations have actually realized these lowered costs for their members. Thus, the San Luis Valley, Colorado, Association reports savings of 30 per cent over prices formerly paid, and the Kansas School Purchasing Association reports savings

ranging from 15 per cent to 25 per cent, the dividend declared on the 1937 business amounting to 20 per cent of sales. It is well known that coöperative purchasing of coal in Cincinnati and Hamilton County resulted in a saving conservatively estimated to be not less than \$50,000 in one year.

Another advantage generally realized is an improvement in standards of quality of goods purchased. Several buyers coöperating in filling their requirements benefit from their individual experiences with various standards and specifications.

The mechanics of operation may take one of several forms. In one type, exemplified by the practice of the schools of the San Luis Valley in Colorado, virtually all the needs of all the

schools for a year are pooled and bids solicited and contracts made in the spring for the needs of the following school year. A second method, illustrated by the case of the Saskatchewan School Trustees Association, is to solicit prices based on the combined requirements of a number of units. Each school then orders from the official vendor as the need arises. To overcome certain disadvantages of this method, a third technique has arisen, illustrated by the practice of the Educational Buyers Association. Here the association secures special prices from vendors, but sells to its members at the market price. At the end of the year the savings of cooperative purchasing are distributed to the members in the form of dividends on their purchases. Still a fourth method is employed by some of the state leagues of municipalities. They secure special prices from vendors on the assumption that a number of municipalities will pool their requirements and buy from the vendor. No guarantees of the volume of business are made to the vendor. When a favorable price is secured and a city desires to purchase, it orders from the league. The league orders from the vendor who delivers to the city, billing the league. The league bills the city for the cost of the commodity plus an increment to cover the cost of the league services, and when the bill is paid, the league pays the vendor.

In conclusion, it is interesting to note that cooperative governmental buying associations have grown up spontaneously in a number of localities, not aided by suggestion or experience gained by governments elsewhere. The motivating force seems to have been common sense, not fortified by any agency promoting the cause. Indeed, few of these associations were aware of others in the same field of activity. That they have grown and prospered

for some time augurs well for the future of this new experiment in the practice of government.

EDITOR'S NOTE—This is the third and last of a series of articles on cooperation in governmental purchasing. See "Coöperative Purchasing in the Irish Free State," by Charlton F. Chute, *NATIONAL MUNICIPAL REVIEW*, May 1938, and "State-Municipal Coöperation in Purchasing," by Stuart A. MacCorkle, *NATIONAL MUNICIPAL REVIEW*, September 1938.

THIRTY DOLLARS A WEEK

(Continued from Page 484)

would be in greater or less degree to impose a stringency of cash for all municipal purposes.

Of course, before either the tax burden of the people could be doubled or the local financial system shot to pieces, it is necessary both that the initiative measure be approved and that it work as its sponsors intended. That the latter eventuality will not occur seems a safe assumption. Collapse of the scheme in a relatively short time is generally accepted by economists as a foregone conclusion. But that the voters will defeat the proposal is a more dangerous assumption. The campaign is now being bitterly fought, and its defeat is indicated by reports from many experienced observers. On the other hand, the admitted insecurity of those in the upper age brackets, the extensive adherence to similar plans on the part of large numbers of voters throughout the country as manifested in the strength of the Townsend plan, particularly in rural areas, the difficulty of explaining any economic fallacy to the man in the street, and the fact that proponents of the initiative had their campaign well under way before the opposition woke up to the task before it, all work against the showing of a majority of "no" votes. Before the year ends, thirty dollars a week for life may become a reality, albeit a short-lived one, in California.

Alert Citizen Group

Wins Again in Toledo

Third successful defense of the manager plan demonstrates once more the value of a permanent citizens' organization ready to spring into action when necessity arises.

By ALFRED WILLOUGHBY
National Municipal League

ONCE again the people of Toledo have beaten off an attempt to scuttle their two-year-old council-manager form of government which has spread the city's fame by its realistic, honest, and effective manner of handling difficult depression-born problems.

While the two previous attacks—the first shortly after its adoption but before the plan actually went into effect—came in the form of thoroughly organized political campaigns, the most recent threat was contained in two surreptitious resolutions, one to dismiss able City Manager John N. Edy and the other to appoint in his stead a local man hand-picked by the city's leading "old-style" politician.

Since he had been mayor before the advent of the more modern system, Addison Q. Thacher, now a member of the Toledo city council which is chosen by proportional representation, has harbored a smoldering indignation against rules which tend to prevent a successful politician from rewarding his friends with jobs and spending public works moneys where they will do him as well as the city the most good. But his fundamental opposition remained concealed so thoroughly that, in the last councilmanic election, the City Manager League of Toledo had no choice but to endorse him for re-election on the ground that his official record up to

that time provided no logical grounds for opposing him.

On the morning of Saturday, September 10th, Councilman Thacher handed the clerk of the council a sealed envelope with instructions not to open it or disclose its existence until further notice. The following Monday evening at 6.10 o'clock, one hour and twenty minutes before council was to meet, Thacher telephoned the clerk and directed him to put the contents of the envelope on the calendar.

This circumvention of council rules and practices left no time to reveal the plot to the public so, when the question came up, there was a small audience, but it included some of the foremost civic leaders of the city.

Although Councilman Thacher boasted later that he went into the fight with the assurance of five votes, sufficient to enable him to fire Manager Edy and name his own man, a five-to-three vote upheld Mayor Roy C. Start's ruling that the ouster resolutions were improperly filed, making it necessary to delay consideration of them for a week.

With the gain of a week in which to make itself felt, popular indignation, made articulate under the leadership of the City Manager League of Toledo, was tremendous. The League issued a barrage of statements revealing the method and significance of the attempt to go back to the spoils system. The newspapers, which have consistently occupied the rôle of alert public "watch-dog" in the long fight to obtain and retain good government, kept their readers thoroughly informed of developments and attacked Thacher and his plot editorially. Six radio addresses by prominent civic leaders, four of whom

spoke under auspices of the League, brought warning of the danger into countless homes. Civic, service, and church organizations passed resolutions unanimously condemning Thacher's move. Copies of the *Toledo Observer*, publication of the City Manager League, were mailed to five thousand persons. Many prominent citizens made public statements urging the people to express their disapproval.

When council met the members found the chamber, hallways, and the nearby police gymnasium jammed with men and women, clamoring for defeat of the attempt to emasculate the council-manager plan by indirection. There were plenty of cheers, boos, and hisses lest anyone doubt their reason for being there.

As preliminaries to the final action, attention was given to the copies of resolutions and letters demanding the retention of Manager Edy. The final vote showed seven councilmen voting against the ouster resolution and only two supporting it. In addition to Thacher's, the only other affirmative vote was that of Councilman Ira Bame who has been accused of attempting (unsuccessfully) to interfere with police administration.

So constructive has the local administration been in providing good service, the lowest assessed valuation and tax rate in sixteen years, retirement of large amounts of public debt, the installation of a merit system in public employment, and other elements of good government, that Manager Edy felt impelled, when he was called upon to make a statement just prior to the vote, to give Toledo a restatement of the philosophy of the council-manager plan.

He reminded that the council, not he, as manager, actually runs the city; that the manager submits recommendations to the elected representatives of the

people and from them gets his orders as to what he is to do; that the manager is able to follow his own program only in so far as it is approved by the council; and that, therefore, full credit as well as responsibility rests with the council.

The *Toledo Blade*, in an editorial under the heading, "The Fight Isn't Over—It is a Constant Struggle," said that night in part:

Thanks to a thoughtful majority of the council, our honest and well managed city government is preserved—FOR A TIME.

The continuance of that kind of government is now, and always will be, a constant struggle. Only a definite, aggressive enthusiasm for well managed city rule, on the part of thousands of watchful men and women, will maintain it.

There will always be Thachers who have their selfish reasons for wishing to destroy the kind of competency which is made possible by the city manager system and the right man to head it.

Thacher is only a symbol—a front for selfish, greedy men who lie awake at night planning how to re-take the city hall and re-establish the spoils system.

Toledo adopted the manager plan in November of 1934 with a vote of 33,339 to 28,014, after the politicians had been unwilling or unable to make the adjustments in efficiency and economy made necessary by depression problems. Before the new charter could go into effect, as it was scheduled to in January of 1936, a repealer campaign was waged but lost by a vote of 27,627 to 18,338. Last fall another repealer, slightly masked in the form of a charter amendment which would substitute a twenty-one-man council selected by wards for the manager-plan council of nine chosen by proportional representation, was beaten even more badly, 37,035 to 19,211.

So far each test of strength has indicated growing satisfaction in Toledo with the manager plan, but Councilman

(Continued on Page 517)

Recent News Reviewed



NOTES AND EVENTS

Edited by H. M. Olmsted

Council-Manager Plan Developments.—

In Santa Ana, Calif., (30,322) a committee of the Realty Board has been preparing a city manager charter for the consideration of the city council.

In Arkansas City, Kan., (13,946) petitions are being circulated for a special election on the subject of changing from the manager plan to the mayor-council form of government, according to the *Arkansas City Traveler*, which opposes the effort, and calls attention to the excellent debt-reduction record under manager government.

In Rochester, Minn., (20,621) a charter providing for council-manager government has been drafted. It is not expected that an election will be held before next spring.

In the borough of Fair Lawn, N. J., (5,990) an independent Republican candidate in the primary campaign urged an investigation into the manager plan, and a Democratic leader issued a call for formation of a good government league to start a city manager movement.

In Long Beach, Calif., (142,032) a charter amendment has been proposed by Councilman Virgil H. Sponberg, which would transfer the executive powers of various boards or commissions—water, recreation, park, planning, aviation, greens, harbor, and civil service—to the city manager and city council, leaving the boards advisory unpaid bodies only. Some of them now receive remuneration, others not.

Baie Comeau, Quebec, (2,291 population) adopted the manager plan in August.

Verdun, Quebec, under powers granted by

the provincial legislature, has appointed a general manager and director of finance. The appointee is also city treasurer.

Tappahannock, Virginia, on August 26th passed an ordinance making effective a provision of the 1938 charter which permits the council to appoint a manager.

Ashland, Kentucky, (29,074) on November 8th will vote on a proposal to abandon the council-manager plan adopted in 1934.

In Forest Grove, Oregon, an ordinance has been adopted which creates the office of city manager, to become effective November 18th.

The Association of Omaha (Nebraska) Taxpayers is expected to call upon the state legislature again to pass the necessary measure for submission of an amendment to the state constitution to make the manager plan possible for Douglas County. Public opinion is reported to be more strongly in favor of the plan than in 1934, when it obtained a plurality vote.

A committee of the San Diego County (California) Development Federation, which has been investigating the county-manager plan, is preparing a pamphlet to inform the voting public of the advantages of the plan.

Chicopee, Massachusetts, (43,930) will vote on the adoption of the manager plan on November 8th.

In Battle Creek, Michigan, (43,575) petitions have been circulated requesting a vote on November 8th on the question of revising the city's charter so as to provide for the manager plan of government. Voters will also choose the members of the charter commission to draft the new law.

The voters of Berkley, Michigan, (5,571) on September 13th defeated a proposal to revise their city charter by providing for the manager plan. The Berkley Business Men's Association and others interested in the change

are continuing their educational efforts and are planning to place the question on the ballot again in the near future.

A petition filed some time ago with the city commission of Hutchinson, Kansas, (27,085) requesting an election upon the adoption of the city manager form of government, was rejected by the city clerk since it contained an insufficient number of legal signatures. The city manager organization, however, has gone ahead with the circulation of new petitions, which it is hoped will be ready for filing shortly.

In Cumberland, Maryland, (37,747) the council has under consideration a proposal of Isaac Hirsch, author of the present charter, that a commission be named to draft a city manager charter. According to the *Cumberland News*, Mayor Thomas W. Koon and two other council members expressed approval of the manager plan, another was non-committal, while the fifth said the plan "tends to destroy the American ideal of government."

A number of organizations of Midland, Michigan, (8,038) whose interests include civic affairs, are promoting a charter revision for that city to provide the council-manager plan. Petitions asking that the question be submitted to the voters on November 8th and calling for election of a charter commission are being circulated.

The borough of Boyertown, Pennsylvania, (3,943) is seriously considering the adoption of the manager plan. A committee sponsored by Burgess Roy F. Schealer will make a study of the question and present its recommendations to the council, which under the Pennsylvania law has power to adopt a manager ordinance.

*

Use of Permanent Registration Increases.—Over six million voters in at least a dozen metropolitan cities, and a large proportion of those in voting districts elsewhere in the country, now have the right to register under permanent registration systems, according to a recent statement of the Governmental Research Association. This system, under which the voter registers personally only once, his name remaining on the voting lists as long as he is a qualified voter in the same district, is used in various cities and other local governments in thirty-four states. It was first put into practice in Boston in 1896. New York voters on November 8th will vote on a constitutional proposal to au-

thorize its use in that state. Baltimore's permanent registration law, enacted recently as part of a general measure for Maryland cities, becomes effective in 1939.

Maryland, Pennsylvania, Missouri, and Illinois were added to the permanent registration list during 1937-1938, legislation for the latter two states covering special cities only. In addition to these states, the list includes Alabama, California, Colorado, Connecticut, Delaware, Florida, Georgia, Idaho, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maine, Massachusetts, Michigan, Minnesota, Mississippi, Montana, Nebraska, Nevada, New Jersey, North Carolina, Ohio, Oklahoma, Oregon, Utah, Virginia, Washington, and Wisconsin. The laws are state-wide in effect in only eighteen of these states.

*

Recall Elections.—On September 16th a recall election in Los Angeles, California, resulted in the mayor, Frank L. Shaw, being superseded by Fletcher Bowron, judge of the Superior Court, by a plurality of over 100,000.

In Fort Worth, Texas, six of the nine councilmen have been removed recently by use of the recall.

*

Merit System Extension Urged.—The American Federation of Government Employees, meeting September 14th in Chicago, unanimously approved a program which includes the extension of the merit system to all branches of the civil government now excluded from the system.

In August two important groups of public officials were added to the list of merit system advocates, through the unanimous adoption of resolutions favoring the system by the Municipal Finance Officers' Association and the International Association of Chiefs of Police, at their annual conferences in St. Paul and Toronto respectively.

*

Merit System for Street Cleaners.—The use of civil service examinations to recruit street-cleaning personnel in thirty-one cities is noted by a committee of the American Public Works Association in its report on street-cleaning practices, which analyzes the street cleaning organization and methods of ninety-four cities.

The volume shows that twenty-six of the ninety-four cities choose their entire street-cleaning force by civil service, and five use competitive examinations to select part of

their staffs. Among the larger cities using civil service in their street departments are: Buffalo, Chicago, Cincinnati, Los Angeles, Milwaukee, Minneapolis, New York City, Philadelphia, St. Paul, and Washington, D. C.

*

New York Amendments Opposed.—The Citizens Union of the City of New York added its strong protest to the growing resentment at the last-minute action of the state constitutional convention in slipping through an amendment to outlaw proportional representation, which was adopted in New York City only two years ago by a vote of 923,186 to 555,217. The union also opposed the reapportionment amendment, the grade-crossing elimination financing plan, the judiciary proposals, and the catch-all amendment (no. 1—see NATIONAL MUNICIPAL REVIEW for September, page 456.) Approval was given to amendments four, six, eight, and nine, dealing with housing, labor laws, welfare financing, and transit borrowing by New York City; but it was stated that no calamity would result from voting down all the amendments—the bad ones being so much worse than the others were good.

*

New Mexico Forty-sixth State to Adopt Direct Primary.—Voters of New Mexico will choose candidates for public offices by direct primary in its elections of 1940, thus becoming the forty-sixth direct primary state, the Council of State Governments reports. Action of the New Mexico special legislative session, just adjourned, leaves Connecticut and Rhode Island the two states that select all candidates by party convention.

*

Housing Officials to Meet in Washington.—The National Association of Housing Officials will hold its sixth annual conference in Washington, D. C., October 11-14, giving an opportunity to more than seven hundred housing officials to exchange ideas. The conference will be the first for approximately 150 directors of local housing authorities who received their appointments during the past year, and will bring together local, state, and federal officials in the housing field.

Directors of the four federal agencies concerned with housing will address the conference on the opening day. They are Nathan Straus, United States Housing Authority; Stewart McDonald, Federal Housing Admin-

istration; John H. Fahey, Federal Home Loan Bank Board; and Will Alexander, Farm Security Administration. Developments in the housing field will be discussed in reports of twenty-five local and state housing agencies.

The association reports that approximately 24,000 new dwelling units were made available for occupancy in the nation's large-scale housing projects during the past year, bringing to about 37,000 the number of families in federally-aided projects located in all parts of the country.

The association's annual project map just completed shows occupancy of 146 projects as of May 1, 1938, compared with the figure of fifty-eight for May 1, 1937. Tenants are now living in fifty-one housing projects financed by the Housing Division of the Public Works Administration and its successor, the United States Housing Authority, in eighty-two Farm Security Administration projects, and in thirteen large-scale rental projects financed through the Federal Housing Administration. One year ago the respective figures were eleven, forty-five and two.

In addition to the dwelling units already occupied on May 1st, the three federal housing agencies list other projects, approved or under construction, which will provide 25,000 more homes, according to the NAHO map. The USHA lists twenty-three such projects; the FHA, Rental Housing Division, sixty-two; and the FSA, two. Since May 1st, USHA contracts have been approved for twenty-one cities which would supplement the total by nearly 21,000 dwelling units.

*

More Courses in Governmental Matters.—The New York University Division of General Education is presenting an expanded fall program of eighteen non-credit evening courses in government progress. Nine of the courses are new, including housing and labor problems. Five guest lecturers have been added. The courses are designed to meet the increasing needs of men and women interested occupationally in studying governmental problems and administrative techniques, according to Dean Ned H. Dearborn. They will complement the credit courses of the university's new graduate Division for Training in Public Service.

The Central Y.M.C.A. College, Chicago, Illinois, announces a four-year course in public administration leading to an A.B. degree.

Both day and evening programs are available.

Rutgers University, New Brunswick, New Jersey, offers two twelve-week courses in traffic education and traffic enforcement for police officers specializing in traffic educational or enforcement work.

*

Apprenticeships in Wisconsin.—The University of Wisconsin is cooperating with local governments in that state on an apprenticeship program whereby college-trained technicians with outstanding records are made available to municipalities as apprentices, who perform specialized services at temporarily low rates of pay while obtaining practical experience.

The apprenticeships are one feature of an in-service training program for state and local government employees, under legislation adopted last year. Thirty-one apprentices have been taken on from three educational institutions by thirteen state departments. These apprentices devote three and one-half working hours a week for ten months to lectures and discussions on administration, supplementing their practical work in a particular department under supervision of an experienced administrator. Graduate work, outside of working hours, is encouraged.

*

Government Units Integrate Agencies for Aiding Blind.—Thirty-nine states now cooperate with the federal government on programs to aid the blind, according to the American Public Welfare Association. In these states development has been rapid toward integrating services for the blind in one agency. Although state agencies for the blind have been functioning since 1908, when Massachusetts established a permanent commission for the blind, the trend toward integration of the various agencies under departments of welfare has occurred mainly under the administration of the federal social security act, Evelyn C. McKay, of the American Foundation for the Blind, reported to the association.

■

Coordinating Plans for Tax-Supported Medical Care.—Recognizing sickness as the foremost cause for dependency, a committee of the American Public Welfare Association is cooperating with more than twenty other professional medical and public health groups

in attempting to formulate a coordinated plan for the care of sick poor by local governments, which will eliminate duplication and diffused responsibility found to exist in the present administration of tax-supported medical care. A preliminary study has been made of the lack of proper correlation not only between city and county agencies but within the organizations of individual cities and counties. For example, the committee found duplicating system of home nurses' and physicians' care in many cities.

Among the general principles of eligibility for tax-supported medical care recommended by the committee from its preliminary study are: that agreements concerning standards of eligibility should be developed by conferences of local officials and representatives of the medical profession; and that the need for medical care should be determined by a physician, while eligibility for care at public expense should be determined by the governmental agency responsible for payment.

COUNTY AND TOWNSHIP GOVERNMENT

Edited by Paul W. Wager

Four-Township Council Brings Benefits to Ohio Community.—The 4,150 rural people in the four townships surrounding Bellevue, Ohio, (population 6,000) wanted, needed, and should have had adequate fire protection for many years.

Five years ago the Flat Rock, Ohio, Public Committee was organized to secure definite fire protection for the village and succeeded in completing a contract. The farmers around Flat Rock also wanted fire protection, as well as public library service, etc., so the Thompson Township Council was organized in order to secure these privileges.

Then came the idea of asking the township trustees to assume the responsibility for fire protection, as city officials do, and they responded as soon as the public demanded it. The trustees of the other three townships surrounding Bellevue—York, Groton, and Lyme—were then asked to cooperate with that city's council in purchasing an \$8,000 fire department especially equipped for fighting farm fires. But the plan met with so many delays that a council similar to the one in Thompson was organized in each of these

townships, and from that the Four-Township Council, composed of the president and two representatives of each local council, was founded to complete the fire protection project and other coöperative plans. This group is sponsoring a new law in the Ohio legislature this fall permitting Ohio cities to enter contracts with rural communities for fire protection.

The Flat Rock Public Committee plan for unincorporated towns, the Thompson Township Council for rural districts, and the Four-Township Council for rural trade areas were all founded as the needs arose. To date they have actually secured fifty-four public projects and now have sixty-seven additional projects practically accomplished or well under way. Accomplishments include: public library service, electric street light and power contract (said to be the lowest for any rural community in the state), telephone service, definite police protection, a rural address system (to locate any farmer instantly), various WPA projects, initiation of a ten-year plan, a community playground, more efficient government services, a four-township community auction, organization calendar, etc.—all of which has “pepped up” the township and county officials.

The local council organization is simple, practical, and permanent, strictly non-political and non-sectarian. It is authorized by a public vote of the people and is thus available to sponsor public projects of any nature. The personnel consists of the presiding officer, chairman, or director of each public service organization, including the township trustees, board of education, churches, farm bureau, parent-teachers, business men, housewives, young men and women—all the constructive forces in the community, capable of fighting the devil himself.

The unique feature of this organization is the fact that it has just grown out of the common needs of a typical rural community, fostered by the people themselves.

C. S. HUNSINGER,¹ *President*
Thompson Township Council

¹Mr. Hunsinger is the founder of the organizations mentioned above, as well as of the National Township Council. They are fully described in his pamphlet *Accomplishing Rural Community Work*, which the author has written out of his twenty-five years' experience in rural community work.—EDITOR.

Douglas County, Nebraska, to Make Another Effort to Adopt Manager Plan.—

The Association of Omaha Taxpayers will again ask the legislature to pass the necessary measure for submission of an amendment to the state constitution to make possible the manager plan for Douglas County. It may be conservatively said that public opinion is much stronger now for such a plan in the county than was true when it was carried in a general election of 1934 with a plurality of over 13,000. Quite a few members of the last legislature, who are candidates for re-election, have stated that they will reverse their vote and support the amendment. The *Omaha World-Herald*, which is the only metropolitan newspaper now in Omaha, has kept the matter repeatedly to the front as a major issue in the county and, while all three present members of the county board were defeated in the August primary, it seems generally realized that a change in the system of county government is necessary before there can be assurance of better government for any period of time. It should be said that the county this year is operating very close to its income and at an indicated expense of \$200,000 per year less than last year. It should also be said that the situation which has prevailed in Douglas County prevails also in many other counties of the state.

W. L. PIERPOINT, *President*
Association of Omaha Taxpayers

*

The Texas Government Institute.—

The first meeting of this short course for local officials was held at Nacogdoches, Texas, on August 31–September 1, 1938. The meeting was sponsored jointly by the East Texas Chamber of Commerce—operating in seventy East Texas counties—and the Stephen F. Austin State Teachers College at Nacogdoches. Five of the eight discussions concerned such financial problems as budgeting, accounting, auditing, purchasing, and financial reporting. The three additional discussions were also related to finance and concerned the handling of relief problems, the management of a modern road and bridge department, and needed legislation for Texas counties.

Seven of the eight discussions were led by county officials, and the audience participated freely throughout each meeting. The attendance varied from seventy to one hundred people or

an average of more than one person per county for the entire region. At the close of the session it was unanimously voted to continue the sessions another year. This short course is part of the educational work begun by the Tax Department of the East Texas Chamber of Commerce early in 1938.

H. C. BRADSHAW

Division of Farm and Ranch Economics
Agricultural and Mechanical College of Texas

*

County Zoning Accomplishes Roadside Control in California.—First large-scale application of county zoning principles as a part of a roadside beautification and safety program along several thousand miles of California highway has been noted by the American Society of Planning Officials.

San Mateo County and its neighbors, Santa Clara, Monterey, and Marin, are the jurisdictions which within the past five or six years have established strict regulation of roadside use by zoning ordinances. Kern and Santa Barbara Counties have also pioneered in this field and several other counties are joining the movement.

The result of county zoning in San Mateo County is one thousand miles of billboard- and business-free highways and county roads. San Mateo, San Francisco, and Santa Clara Counties are now joining with the state in the development of Junipero Serra Boulevard as a parkway, to be protected both by its design and by zoning. In San Mateo County this thoroughfare will have a 240-foot right-of-way, with frontage restricted to family residences. Santa Cruz County, smallest in the state, zoned about a year ago to cover seventy-five miles of highway. Monterey County zoning regulates structures along the seventy miles of its new coastline highway. Marin County recently made its zoning ordinance retroactive.

The California counties regulate business areas along the road as to size, location, and building setback. Businesses are restricted to those necessary to the traveling motorist. The zoning laws supervise the architecture of roadside buildings to keep them up to a certain standard of design.

*

Georgia County Rejects Manager Plan.—On September 14th the voters of Grady County, Georgia, in a referendum voted to

retain the present system of county government rather than adopt the county manager plan. Already the county has a full-time chairman of the county board with somewhat broader powers than is customary, and this arrangement appears to be satisfactory to a majority of the citizens.

TAXATION AND FINANCE

Edited by Wade S. Smith

EDITOR'S NOTE.—Because of its timeliness and the importance of the subject covered, Mr. Smith's first note for his department, "Thirty Dollars a Week for Life," is being carried as one of the main articles in this issue—see page 481.

*

Speed PWA Program.—With October 1st the deadline for filing applications under the 1938 appropriation for the PWA, the administration announced that for the first quarterly period ending September 22nd projects totaling close to \$1,500,000,000 had been approved. Actual construction has been started on over seven hundred projects involving the expenditure of \$177,000,000.

The 1938 appropriation provided for a total project value of about \$1,867,000,000. In the thirteen-week period since the signing of the bill by the President, nearly seven thousand projects were approved. Approximately 5,500 were non-federal projects sponsored by the states, cities, counties, and other local bodies, with the PWA allotting about \$626,000,000 to meet its share of the cost, 45 per cent of the total. In the period over one thousand federal projects, calling for a PWA contribution of \$185,000,000, were also approved.

The non-federal allotments by PWA consisted of approximately \$295,000,000 for the construction of school buildings and other educational facilities; \$63,000,000 for 239 sewer and related projects; \$64,500,000 for 304 water projects; \$75,000,000 for 116 projects involving bridges, viaducts, subways, tunnels, docks, and the like; and \$128,500,000 for 402 public building projects involving city and county buildings and similar structures. To meet the sponsor's 55 per cent of the total cost, the municipal units have been going to the polls in almost unprecedented numbers seeking voter approval of local bond issues. Small

communities, in particular, have been conspicuous on the bond election calendar, although the larger cities have also been well represented. In cases where voter approval is necessary for local financing, PWA requires submission of the question before the October 1st deadline. Construction on all projects must be started by January 1, 1939.

*

Patterned on the California thirty dollars every week pension measure discussed in more detail elsewhere in this issue, a twenty dollar weekly pension for all over fifty years of age is being proposed to Tennessee voters by Roy C. Wallace, former state comptroller, now a candidate for governor of the state. The Tennessee proposal also involves the redemption of pension scrip by attachment of a stamp every week. In the state of Oregon, a two hundred dollars a month pension for everyone over the age of sixty-five is on the ballot as an initiative measure. Financing is to be by means of a transaction tax.

*

Taxpayers whose properties were damaged or destroyed by the recent hurricane which swept eastern Long Island will have to pay their 1938 taxes just the same. Such is the verdict of the Nassau County collector, who points out that the law makes no provision for review of assessments until the 1939 rolls are prepared next spring.

*

Louisiana voters will pass or reject a proposed constitutional amendment to exempt homesteads up to \$4,000 assessed valuation from ad valorem taxation when they go to the polls this fall. Other amendments to be voted on would exempt new homes and new industries from taxation for a period of three years.

*

Pennsylvania school districts are scratching gravel to get their applications in before October 1st for their share of a recent multi-million appropriation of the recently created General State Authority. The authority will issue its revenue bonds (about \$7,000,000 of which have already been issued—sold to the state sinking funds, etc.) to provide funds to build and equip school buildings, among other things. Needy school districts will (if their applications are approved) enter into a contract to pay rent for thirty years, sufficient to amortize the authority's revenue

bonds. Voters in Chester last spring decisively voted down a bond issue for a new school—now the district is getting it via the State Authority. So the debt service taxes will be replaced by taxes to pay rent.

*

Nassau County, New York, suburban unit on Long Island adjoining Queens and Brooklyn, is selling vacant property taken to satisfy tax liens on the installment plan—20 per cent down. The state of Washington now permits purchase of tax deeds in ten annual installments. Land-use experts view the practice with alarm, pointing out that broken parcels will inevitably result, making tracts useless for sound development and forcing local units in many instances to install costly improvements for scattered residents.

*

St. Louis County, Missouri, which operated without a budget for years, and has only recently undergone a strenuous fiscal reorganization under legislation sponsored by the St. Louis (city) Bureau of Governmental Research, recently issued the first annual financial report in its history. Comptroller E. O. Harper put out a comprehensive set of schedules which would set many a more experienced unit to shame for completeness.

PROPORTIONAL REPRESENTATION

Edited by George H. Hallett, Jr.

An Official P. R.-Manager Proposal for Philadelphia.—Early in September the Philadelphia Charter Commission appointed by the governor and legislature issued a summary report. The opening statement by the chairman, Thomas Evans, concludes with the words, "Philadelphia's spirit of progress must be regenerated. Philadelphia must increase its employment. Philadelphia must rehabilitate its commercial and industrial life. The first step is the new charter."

The outline which follows shows that the final draft to be submitted to the legislature proposes a fixed council of eleven elected by proportional representation on a nonpartisan ballot. One of the council will be elected mayor by his fellows. The council will select and control a city manager. The existing departments are reorganized and it is significant that the three named first in the new

set-up deal with the social services instead of the customary ones—finance, law, and safety. The outline devotes a great deal of space to the civil service provisions, to a planning board with powers and duties somewhat similar to the like agency in New York, and to the financial provisions. These last are particularly important, for in addition to having thirty-three millions of bonds in excess of its legal bond limit, the city has a "deficit" of about thirty millions.

About two and a half pages are given to an explanation of the principles of P. R., but the details of the election procedure are reserved for the official draft.

For several years there has existed in Philadelphia a City Charter Committee, a citizen organization which has urged the manager plan and P. R. as the basis of the city's government. This is being reorganized and expanded under the leadership of Thomas Raeburn White. A vigorous educational campaign has begun centering around Walter J. Millard. The task of reaching Philadelphia's two million people is a huge one, but as this is written the leaders of organizations which cover one-third of the population have signified their willingness to coöperate.

The writer has prepared a short, simple pamphlet on P. R., keyed to the records of past elections—the present council does not directly represent 46 per cent of the voters. The pamphlet is now being distributed. A fine corps of speakers has come forward and many meetings are scheduled.

The legislature will receive the commission's report when it meets in January and must pass it as an act. By the charter's own terms there must then be a referendum. This double task makes progress harder than in states with municipal home rule, but Philadelphia faces a financial and civic crisis and so the City Charter Committee is very hopeful.

CHARLES H. WOODWARD

Philadelphia

*

The P. R. Campaigns in New York State.—After the Yonkers City Manager League had filed petitions for a P. R.—city manager revision of the city's charter and the common council had put the question on the ballot for November 8th, the charter commission appointed by Mayor Loehr sub-

mitted a rival charter revision. The commission did not recommend the city manager plan, but did recommend the separate submission of P. R. However, the common council voted not to put the commission's recommendations on the fall ballot. There will be a clear issue, therefore, on the adoption or rejection of the P. R.—manager amendment.

In Schenectady the council refused to submit the question of P. R. after the first 10 per cent petition for it had been presented, taking its cue from an opinion of the corporation counsel that its submission this fall would be illegal on technical grounds. The P. R. committee disagreed with the opinion and, after giving the council the required two months in which to act, submitted the additional 5 per cent petition specified in the city home rule law as sufficient to force the question onto the November ballot without the council's approval. Thereupon a taxpayer's suit was filed to prevent the election authorities from submitting the question. On September 26th Supreme Court Justice Byron O. Brewster ruled that the amendment was properly proposed and must be submitted. An appeal has been taken.

The committees sponsoring the P. R. amendments in Yonkers and Schenectady are also serving as the local committees to defeat Amendment No. 7, the constitutional amendment to prohibit the use of P. R. proposed by the recent state constitutional convention. In New York City the campaign is being led by the P. R. Joint Committee, representing all the principal civic organizations interested in P. R., which conducted the educational campaign for the first P. R. election last fall. There is also a local committee in Rochester. A State Committee for Home Rule on P. R. is being organized by these groups and others to wage an energetic statewide campaign. The state League of Women Voters has started a vigorous drive to defeat the amendment and other statewide groups are expected to follow suit.

*

P. R. in the Netherlands.—The annual report for 1937-1938 of the British P. R. Society (82 Victoria Street, London, S. W. 1) contains an informative discussion of the problem of government under different methods of election. It presents evidence to uphold the

thesis that "popular and anti-popular fronts are necessary only, and are formed only, in non-proportional countries."

Most European countries have long had a multiplicity of political parties regardless of election methods, and the party list systems of proportional representation now used in some European countries are less likely to diminish this multiplicity than the freer Hare system used in American P. R. cities and the Irish Free State. Nevertheless, the European countries which have adopted forms of proportional representation—such as Switzerland, the Scandinavian countries, Belgium, and Czechoslovakia—have developed procedures for coöperation in government without submerging the individuality of the political parties and include some of the most stable and successful democracies in the world.

"It would thus appear, from the experience of many countries in Europe," says the British report, "that in these countries in which P. R. has been the accepted form of election for any considerable length of time, something of the nature of general principles has been evolved in the manner of forming governments where no party has a majority. These principles are independence of parties in presenting their case to the electors, fair representation, and coöperation in the formation of the government between parties in agreement as to their immediate aims."

As an example of a country which has been highly successful in applying these principles the report makes special reference to the Netherlands:

"One of the more important of the elections held in the year 1937 was that of Holland. This country, like most countries in Europe, has always had numerous parties, of which several have their roots in the historic religious struggles of Holland. The parties are practically the same now in number and in type as they were before the introduction of proportional representation. The only additions are the two post-war parties, National Socialist and Communist. The change made by proportional representation has been, not to increase the number of parties, but to assure that parties have fair representation, and, as the following figures show, this object was obtained:

HOLLAND, GENERAL ELECTION, 1937

The Sixth Election Under P. R.

Party	Votes	Seats
Roman Catholic	1,170,431	31
Social Democrat	890,661	23
Anti-Revolutionary	665,501	17
Christian Historical	302,829	8
Radical League	239,502	6
National Socialist	171,137	4
Liberal	160,260	4
Communist	136,026	3
Christian Democrat	85,004	2
Orthodox Calvinist	78,619	2

"Neither before nor after the adoption of proportional representation was there a majority for any one party. Dr. Colijn, who first became prime minister after the election of 1933, remains in office as the head of a coalition of the three parties of the Right—Catholic, Anti-Revolutionary, and Christian Historical.

"Proportional representation has now been used for six general elections in Holland. A royal commission sat in 1936 to consider constitutional reforms. This commission resolved by a large majority that proportional representation should remain not merely as an ordinary law, but as part of the constitution of Holland. Fair representation is accepted as the permanent foundation of parliament."

*

P. R. Recommended in France.—There are clear signs that the difficulties and anxieties arising from confused politics and uncertain alliances have tended to undermine confidence in the parliamentary regime. As a first step in restoring confidence, there is a renewed demand in the French Chamber of Deputies for the adoption of P. R. In 1937 the *Commission du Suffrage Universel* (the committee of the chamber charged with electoral questions) adopted by thirty-five votes to one a report in which the commission declared that it had no hesitation in rejecting the single-member system "with or without the second ballot or any other modification." It recommended the adoption of a system of proportional representation "free from any compromise that would weight the scales in favor of a majority party or group of parties," and furnished the text of a P. R. bill fulfilling these conditions. Early in the present year,

the *Journal du Commerce* published a symposium of five articles on electoral reform, which urged immediate action on the lines advocated by the commission. The contributors to the symposium included the president and vice-president of the commission, and the valued correspondent of the P. R. Society, M. Georges Lachapelle. Another of the contributors, Senator Jean Bosc, president of the Parliamentary Customs Committee, in expressing his views as to the gravity of the political conditions, wrote: "It is now seen, a little late, that the safety of the republic and of democracy may well rest upon proportional representation."

Annual Report of the British
P. R. Society 1937-1938.

PLANNING
INCLUDING ZONING

Edited by
Alfred Bettman and Walter H. Blucher

International Planning and Housing Congress.—An unplanned feature of the Sixteenth International Congress for Planning and Housing, held in Mexico City August 13-20, was a head-on collision between the northbound and southbound "Rapido" in which a number of Americans and practically the entire European delegation were involved. Fortunately no passenger was injured.

Although political factors in Europe prevented large attendance from across the Atlantic, there was a registration of over 450 persons.

The principal discussions of the program of the congress were devoted to housing in tropical and subtropical countries, planning recreation and the use of leisure time, and underground planning.

Proceedings of the congress may be obtained from the International Federation for Housing and Town Planning, 47, Rue Cantersteen, Brussels, Belgium.

*

Survey and Statistical Projects.—The California State Planning Board has published an outline entitled *Research Survey and Statistical Projects* "for the guidance of local planning and other public officials concerned with the organization of research, statistical, and survey projects." Project

types favored and recommended for municipalities to undertake with WPA assistance are listed in a special section and a section is devoted also to recommended projects for counties and non-urban areas.

*

Los Angeles Studies Land-Use.—The Los Angeles County Regional Planning Commission, one of the most active and progressive local planning agencies in the country, has recently completed a survey of land-use, covering 837 square miles of the county's area. About one-half the total area of the city of Los Angeles, all of thirty-five incorporated cities, and parts of four others were included.

The planning commission, the survey points out, is now provided with information necessary for proceeding with detailed zoning of large areas now threatened with haphazard development, as well as basic materials needed for comprehensive planning in the Los Angeles metropolitan region.

*

Land-Use Surveys Contemplated in New York and Chicago.—City planning activities in the nation's first and second largest metropolitan centers are expected to be facilitated through land-use surveys similar to that recently completed for Los Angeles County.

Extensive studies of slums and of areas containing a large amount of vacant property are proposed for New York City. One of the major uses of such studies would be the determination of locations for low-rent housing projects.

Chicago expects to undertake shortly the first comprehensive land-use survey and real property inventory ever made of the city.

*

Planning in Pittsburgh.—Pittsburgh's twenty-year-old Municipal Planning Association has taken the new name of Pittsburgh Regional Planning Association to give emphasis to the metropolitan scope of its program.

At a recent meeting Mr. Howard Heinz, the association's president, emphasized the necessity for taking immediate steps to plan for traffic improvements, flood protection, slum rehabilitation, community park and recreation facilities.

*

Findings of British Commission.—The Royal Commission on the Geographical Dis

tribution of the Industrial Population has been taking evidence over a considerable number of months in consideration of "what social, economic, or strategical disadvantages arise from the concentration of industries or of industrial population in large towns or in particular areas of the country."

Representatives of the national and local governments and of commercial groups have been heard. Both the British Town Planning Institute and the Garden Cities and Town Planning Association have submitted memoranda favoring a policy limiting the size of large cities by restriction of the further settlement of industry, guidance in siting new industries, restriction of development in overcrowded industrial zones, stiffening of zoning policy, provision of large open areas for recreation, housing policies to check centralization, development of existing small towns and new towns.

Planning problems appear to be fairly similar on both sides of the Atlantic in the English-speaking countries.

*

New York Planning Boards Hold Regional Meetings.—The New York State Federation of Official Planning Boards is holding a series of fall regional meetings in various parts of the state. Three were scheduled in September, three in October, and five more are expected to follow.

PERSONNEL ADMINISTRATION

(Continued from Page 498)

industrial management, but public management draws much from their work. Many organizations of public officials, such as the International City Managers' Association and the American Public Welfare Association, are concerned with the personnel problems of their groups and contribute to improved methods. An American analogue of the European commission of inquiry is found in the recent Commission of Inquiry on Public Personnel Administration, which published a series of monographs on personnel problems as well as its general report, *Better Government Personnel*. Finally, the larger universities carry on research in public

personnel administration, often in cooperation with officials.

In conclusion we may state the broad objective of contemporary public personnel administration, combining both the work of the central personnel agency and of the departmental personnel offices. From one point of view, the objective is to enforce the law of public employment. This, however, is too narrow a statement. The real ends of the personnel expert are to create and maintain working conditions which will establish a high morale and esprit de corps, which will attract able men and women to the service and hold their affection for the service, which will facilitate the most complete development of each employee and official in his working environment and will use these human resources to the fullest possible extent, which, in short, will produce the finest instrument of administration possible with the resources allowed by appropriating bodies. These ends are affected by the law of public employment, but they are attained principally by technical competence in the field of personnel administration and by creative intelligence on the part of responsible management.

EDITOR'S NOTE.—The article above is one of the papers prepared as a basis of discussion for the sessions of the Seventh International Management Congress, Washington, D. C., September 19 to 23, 1938.

ALERT CITIZEN GROUP WINS

(Continued from Page 506)

Thacher, having the last word via a radio address the night of his defeat, sounded a warning that he would not relinquish his efforts to sabotage the plan. Expressing "pity" for some of his fellow-councilmen, who, he indicated, were scared out after promising to support him, he called for the formation of a "home rule" organization which would work for the appointment of a manager whose most essential qualification would be prior residence in Toledo.

Recent Books Reviewed



EDITED BY ELSIE S. PARKER

The Rise of a New Federalism. By Jane Perry Clark. New York City, Columbia University Press, 1938. xiii, 347 pp. \$3.50.

The enlightened modern political scientist makes much of the fact that written constitutions and codified law present an inadequate and often false picture of political reality. He will point to the American political party as the prime example of the extra-constitutional structure of our governmental life. Professor Clark points out in *The Rise of a New Federalism* that extra-legal administrative devices are becoming as common as extra-legal political devices, albeit not so commonly recognized.

The author shows the nature and workings of the many practices and procedures which have grown up, many of them informally, to close the crevices in our peculiar federal fabric. The complexity and scope of modern civilization make necessary a close interworking between the federal government and the governments of the states and the cities which is not adequately provided by federal or state constitutions. Hence, there have developed such practices as informal conferences, compacts and contracts, exchange of personnel, financial grants-in-aid, coöperative and supplementary laws, the latter especially in the field of commerce, which enable federal and state officials better to work together in the accomplishment of what are, in the final analysis, mutual and identical ends.

Each form of federal-state coöperation is described in detail, and illustrated with practical examples taken from experience. Not only is this work important as an exposition of the ways in which centralization and states' rights have compromised, but it also serves to classify that fast growing device known as the grant-in-aid. At least two books published in the past year¹ have been devoted

entirely to the nature of federal grants-in-aid to the states, but Miss Clark has been one of the first to show the place of the subvention-with-strings in relation to the rest of the administrative fabric.

While the author is careful not to jump to drastic conclusions regarding the importance of the coöperative methods she describes as a solution for the centralization-states' rights controversy, her book opens up an interesting and novel aspect of the issue.

H. P. J.

*

The Culture of Cities. By Lewis Mumford. New York City, Harcourt, Brace and Company, 1938. xii, 586 pp. \$5.00.

Those who admire the vast learning of Lewis Mumford will have reason to marvel anew at this latest work. Here is the well known Mumford aestheticism applied in considerable detail to the physical aspects of the cities of civilization, beginning with the Middle Ages and working steadfastly forward to 1938 New York. Mr. Mumford is every inch the sophisticated critic, looking deep into the roots of things and finding them, as likely as not, sordidly related to economics and man's greed. He sees in the metropolitan environment the apotheosis of man's achievements and non-achievements and uses the description of the environment as a point of departure for a discussion of the course of capitalism.

Most pertinent to present-day problems is his condemnation of our big modern cities as manifestations of most of the rottenness of twentieth century civilization. We have

¹*The Administration of Federal Grants to States*, by V. O. Key, Jr., reviewed in these columns in April, 1938; and *State and Federal Grants-in-Aid*, by Henry J. Bittermann, reviewed in July, 1938.

not planned at all—or planned badly; our taste is wretched; our mores decadent. New York City is, of course, the example par excellence of the worst faults, and Mr. Mumford makes a good case against the slums. But although in the end he redeems his cynicism by offering some slight hope for redemption—"we have much to unbuild, and much more to build; but the foundations are ready: the machines are set in place and the tools are bright and keen: the architects, the engineers, and the workmen are assembled"—the author has already alienated the sympathy of the city dweller by his cruel analysis. A New Yorker, especially, finds much that is fine and exhilarating even in the big city on the down grade, and he wishes that Mr. Mumford had been charitable enough to mention it.

M. R.

*

Report of the Committee: The Advisory Committee on Education. Washington, D. C., Superintendent of Documents, 1938. xi, 243 pp. 35 cents (paper cover).

A few years back the writer reviewed for this publication *Civic Attitudes in Text Books* by Dr. Bessie L. Pierce. There was justification for its appearance in these pages and there is justification for a review of this book. It is useless for this REVIEW to present the latest methods of assessment of real property, let us say, unless our citizens have a broad education which leads them to want to have good assessment methods used, and that education to be broad must include citizenship training in the grade and high schools.

Therefore a report of this character is of vital interest to those concerned with good local government. For one thing education is a function carried on by local governments and in some states the budget for the schools is part of the municipal budget. The value of the property dedicated to this purpose is over six and a half billion and the annual expenditures are in excess of two billion. The impression is that the hundreds of budgets which control this huge sum are permeated with higher standards than guide a similar amount of purely municipal expenditures. But speaking of school expenditures in certain metropolitan areas the report says, "they suffer from the most flagrant application of

the spoils system." The over-all efficiency of some school systems can be gauged from the statement that, "In twelve states school board members outnumber the teachers."

Education for citizenship is only referred to specifically in one or two places but the whole tone of the report shows that it is regarded as a great objective. This is shown by the following sentences: "Legislatures and civic organizations have sometimes assumed that preparation of children for citizenship could be effected through such simple devices as studying the constitution or learning to sing the national anthem. Evidence of the ineffectiveness of education for citizenship purposes is abundant but there has been practically no experimental work that would point the way to the best methods of attaining this objective, admittedly one of the primary purposes of schools in a democracy."

The writer knows at first hand of significant experiments in this field in Des Moines and Toledo and has high regard for the teaching now being carried on by the civics teachers of the New York City schools. But here is a field in which those interested in good local government can join with educators—in the conduct of such experiments and their measurement. The tremendous sum of \$873,000,000 which the report recommends be spent in the next seven years on education by the federal government would give much greater returns if the best methods of citizen education were not only known but put into widespread use. Municipal government in both the fields of policy and administration would shortly go to very high levels.

WALTER J. MILLARD

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The Master Plan. By Edward M. Bassett. New York City, Russell Sage Foundation, 1938. 151 pp. \$2.00.

The making of the master plan is an important part of comprehensive city and regional planning. Mr. Bassett, one of the country's authorities on planning and zoning, has in this volume presented sound advice regarding such a master plan, setting forth what it should and should not contain, how it differs from the official map, and the necessity of keeping it plastic. In Part I of the volume the author discusses the theory of community land planning legislation, defining the seven elements of the problem—streets,

parks and parkways, sites for public buildings, public reservations, zoning districts, routes for public utilities, and pierheads and bulkhead lines. Part II describes the master plan and its relation to planning as a whole. It includes a discussion of the planning acts of various cities and states and the "standard" planning act as issued by the United States Department of Commerce. The book should occupy a prominent place in the library of every planning commission.

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Introduction to American Government.

By Frederic A. Ogg and P. Orman Ray. New York City, D. Appleton-Century Company, 1938. ix, 947 pp. \$3.75.

This is the sixth edition of what has proved to be a very valuable addition to the literature on our national, state, and local governments, especially as prepared for the college student. While the general plan of the 1935 edition has been followed, numerous changes and additions have been made including discussions of the newer relations between the federal government and the states; problems of national administration, particularly along the lines suggested by the President's Committee on Administrative Management; and the developments of the past few years in regard to agriculture, business, labor, social security, etc. A new chapter emphasizes state government activities pointing out that these, as well as the activities of the federal government, have expanded under new responsibilities and functions. The book is well indexed and footnotes and chapter lists carry extensive bibliographical material.

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The Works Progress Administration in New York City. By John D. Millett. Chicago, Public Administration Service, 1938. xi, 228 pp. \$3.00.

One-seventh of the total WPA expenditures of the country, to May 1937, have been made in New York City. A study of the administration of the WPA in that city, therefore, is most timely. The volume covers the internal organization of the Works Progress Administration in New York, costs, numbers of persons employed, accomplishments, and a critical analysis of the entire set-up.

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The Family and the Depression.

By Ruth Shonle Cavan and Katherine Howland Ranck. Chicago, University of Chicago Press, 1938. xvii, 209 pp. \$2.50.

This study, which has been compiled jointly by a sociologist and a psychiatric social worker, traces the effects of the depression on one hundred families for which records have been available since prior to 1929.

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The Public Assistance Worker. Edited by Russell H. Kurtz. New York City, Russell Sage Foundation, 1938, 224 pp. \$1.00.

Contributors to this volume include Arthur Dunham, Donald S. Howard, Margaret E. Rich, Dora Goldstine, Gertrude Vaile, and Russell H. Kurtz, its editor. The book is designed for the use of workers in the field of public assistance and is concerned primarily with the ways in which aid may be given where needed.

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Report of the Board of Trustees of the Village of Bronxville, New York, 1937-1938. 26 pp.

Some day, perhaps, those who indulge in loose talk under the scarehead title "Democracy Is Failing!" will recognize the efficacy of one of the simple methods of making democracy work: that is, by restoring the close relationship between the citizen and his government. One of the most impressive instruments of democracy which we have seen in a long time is this report from a legislative body to its electors. Set down in simple, readable, unostentatious form is every fact any intelligent or even mildly curious person would want to know about Bronxville and its government. This is government at its core, without the blare of the loud speaker or the insufferable dullness of the archives room. Some master of literary form must have written this report, for it is almost unbelievably simple, yet manages to make everyday facts and figures sound as appealing as one of those down-to-earth sagas of the soil. The whole document is only twenty-six pages long, but as an example of typography and make-up it is superb. This has to be seen to be appreciated.

M. R.

A Correction.—In the June 1938 issue of the REVIEW, in the annual tabulation of the bonded debt of cities, the 1938 per capita bonded debt of Rockford, Illinois, was listed in error as \$116.17. The correct amount is \$11.62.